

Fading Family Farms: When It's Just Mom and Pop, Big Business Is Next in Line

By Dirk Johnson
New York Times Service

WALNUT, Iowa — For three generations, the lessons of farming have been passed down in the fields here on Rural Route 1, where the Rogers family has planted corn every spring for nearly 100 years.

"I remember when horses plowed the fields," said Oris Rogers. "And my father and I would pick corn by hand."

But as Mr. Rogers, 67, prepares to retire, the family tradition is ending.

His children, like a growing number of other young people from the farms, have followed careers far from the cornfields.

Unlike the forced sales of the 1980s, which led to benefit concerts and movies about the farmer's plight, the situation of the Rogers family is evidence of a quieter exodus from the land.

The farmers who are selling land today are often making a handsome profit. But all the same, the movement is hastening the decline in the number of family farms and casting an ominous shadow on the little towns built around them.

Since 1980 the number of farmers under the

age of 25 has dropped by half, while the number of those over 65 has held steady, a circumstance that could leave tens of thousands of farms in the next decade without anyone in the family to tend the fields.

When a small farm comes to the end of the family line, the land almost always goes to a bigger farmer with deep pockets and a powerful line of machinery who can work an extra few hundred acres with efficiency.

Even the Future Farmers of America has fewer future farmers. The organization for high school and college students has seen its membership shrink more than 20 percent since 1980, and just 25 percent of its members say they plan to go into farming, as against 41 percent a decade ago.

About half plan to work in jobs that relate to farming, but 27 percent say they will leave agriculture altogether, up from 5 percent in 1980.

In most cases, the link between generations is being broken by an economic transformation in U.S. agriculture that makes it impossible for the average grain farm of 400 acres (160 hectares) to support more than one family or generation at a time.

So with parents still working the fields, the heirs must leave the farm after high school or college. Years later, when the time comes for the parents to retire, their children have settled lives elsewhere.

Even for those who want to return to the fields, the move toward bigger and bigger farms often poses another insurmountable hurdle. A beginning farmer often needs to invest \$200,000 in start-up costs for equipment and leases.

Even on farms with room for one more generation, the experience of the calamitous 1980s, when foreclosures hit farm country like hailstones, has soured many young people on a way of life that offers so little security in return for so much hard work.

"Some of them don't want to experience what they grew up with," said Eddie Smith, the Oklahoma director of agriculture education. "In other cases, the parents are telling the kids not to come back to the farm."

Mr. Rogers and his wife own 350 acres of corn and soybean fields along nameless gravel roads at the edge of Postawatomie County in southwestern Iowa. Hogs were a mainstay of

the family operation for many years, but they were sold when Mr. Rogers turned 65.

Their son and daughter left Iowa long ago. Their grandsons, who are in their early 20s, have lived in many places, but never on a farm. So the tending of these fields will pass from the family.

"Farming isn't a way of life anymore, but a big business," Mr. Rogers said recently before kidding himself if you try to think otherwise. And you're probably going to go down the tube.

In a market sense, the nation simply does not need as many farmers as it once did. Using sophisticated machinery and powerful chemicals, a farmer can produce 120 bushels of corn an acre, twice the yield of 1960.

For consumers, increased efficiency has meant lower costs for food. But when inflation is taken into account, it also means a farmer makes less on his crop and needs to work twice as many acres to survive, which has driven the trend toward larger agricultural businesses.

As a consequence, smaller farms become subsided by bigger ones, a trend that shows no

sign of abating. For farmers, the message is clear: Get big or get out. And many young people from farm backgrounds have no choice but to leave the fields.

Mark Timm, a freshman at Purdue University who was the National Future Farmers of America president last year, will not be returning to the family's wheat and soybean farm in Indiana. Instead, he plans to work in an office job in an agricultural company.

"At this point, that's the most feasible thing for someone my age," he said. "To go back into production agriculture, you'd have to get some breaks along the line."

In an effort to stem the loss of smaller farms, the Iowa Agriculture Department has started to match beginning farmers with those who plan to retire.

The Center for Rural Affairs, an advocacy group in Walhalla, Nebraska, has a similar program. The efforts aim to produce agreements that will allow young people to take over farms without huge investments.

"A lot of farmers who have spent 30 or 40 years of their lives on a farm don't want to see it simply bulldozed and made into a part of a larger operation," said a lawyer helping the

Iowa Agriculture Department's project. He said the trend toward larger farms carries disturbing cultural and social ramifications in rural regions, as fewer and fewer people control vast land holdings.

The emergence of huge farms has also troubled environmentalists, who worry that those operations' heavy pesticide use and giant machinery are damaging the land.

"If you've traveled the farm country, you've seen those large fertilizer rigs moving across the field at 30 miles an hour," said Al Proschy, a former farmer who works for the Center for Rural Affairs. "No one can caretaker at that rate of speed and do anything more than a marginal job."

And as one farmer replaces three, many of the small communities that depend on trade with farmers have shriveled. Some rural experts say that for every five or six farmers who leave the land, a business on Main Street closes its doors.

"This raises concerns that go well beyond the farm gate," said Paul Lasley, a sociologist at Iowa State University. "It represents a change in the opportunity structure of America."

AMERICAN TOPICS

High Court Strikes Blow for Consumers

In a victory for consumers, the Supreme Court has ruled that manufacturers may be sued for antitrust violations if they try to force owners of their products to buy spare parts and service from them. The 5-3 decision came in a dispute between Eastman Kodak, which makes high-priced photo copiers, and independent dealers who compete to repair those copiers.

The justices rebuffed an effort by major manufacturers and the Bush administration to shield the companies from charges that they tried to monopolize the parts and service for their products.

The Kodak lawyers had argued that manufacturing, distribution and servicing of a product were all one market. But Justice Harry A. Blackmun declared that service is a distinct market where competition must be preserved. Dissenting Justice Antonin Scalia argued that a "national consumer" will consider the price of service and spare parts before buying.

Slings and Arrows Of Working in Public

Heckling is an occupational hazard for actors, athletes and politicians. Most athletes ignore hecklers, although Albert Belle, of baseball's Cleveland Indians, riled a baseball into a heckler's chest.

Actors and politicians, working at closer quarters, often find hecklers impossible to ignore.

Former Senator Edmund S. Muskie of Maine would invite hecklers up on the stage to debate with him.

Not a bad strategy, Mark Goussion, a psychiatrist, told the Los Angeles Times: Hecklers often have only complaints to offer. Hand them a microphone, ask for solutions and they are gone.

Nightclub comics are doubly at risk, being at close quarters with people who have been drinking.

The first line of defense is wit. Rejoinders like "When your IQ gets to 80, sell," usually muzzle most pests.

But "when they're too drunk or too mean to care that you're making a fool of them," says one comic, Richard Jeni, "it's necessary to have a large man named Bruno explain proper nightclub behavior to them."

Arthur Higbee



Raoni, an Indian chief from Brazil, speaking in Rio as part of an indigenous peoples' conference intended to parallel the Earth Summit.

At Rio, Realism Replaces Idealism of '72

By William K. Stevens
New York Times Service

RIO DE JANEIRO — The representatives of 178 countries gathered here for the Earth Summit confront a far more sobering task than did the intellectual and political predecessors who, in a landmark meeting, gathered in Stockholm 20 years ago last week and put the cause of the environment on the world's formal agenda for the first time.

In those palmy save-the-whales years, full of hope and idealism, the delegates to the UN Environment Conference in Sweden asserted confidently that "the capability of man to improve the environment increases with each passing day."

Here, the optimism of 1972 has been replaced by a hard realism. The delegates in Rio have discovered how hard it is for nations to unite on fundamental environmental problems facing them.

Differences between the rich countries of the industrialized world and the poor ones of the developing world, for instance, threatened the Earth Summit with its first big, clear-cut failure as talks on a statement of principles for managing the world's forests seemed headed toward an inconclusive result.

The rich nations had hoped that the Earth Summit would produce a call for a treaty on protection of forests to be negotiated after the talks in Rio. But that hope appeared doomed.

delegates and official observers said Monday, and it seemed highly possible that no statement at all would emerge.

All the difficulties are also reflected in the isolation of the United States, the world's biggest environmental actor, on the meeting's big issues of biodiversity and climate change.

It appears that all the other industrialized countries will sign a treaty strengthening the world's efforts to protect living species, leaving the United States as the major dissenter.

The United States agrees with the treaty's provisions on protection of species as such, but demurs on grounds of finances and intellectual property rights.

Other rich countries share the objections, but say that it is important to get the treaty in force. It can be modified after it is ratified, they say.

And the argument between the United States and Europe over whether to adopt specific targets and timetables for stabilizing emissions of heat-trapping greenhouse gases, which were thought to have been resolved when a treaty aimed at controlling the gases was negotiated in New York last month, has carried over to the Earth Summit.

The Europeans wish to see the treaty altered soon after it goes into effect so as to include the specific targets and timetables. The United States disagrees, saying that the threat of warming is not yet scientifically clear enough to move

that far just yet. The Europeans say it is clear enough to them.

The tougher job of the Rio delegates stems from two underlying causes: the environmental problem itself has worsened since Stockholm, and the world has grown more serious about dealing with it.

Human activity has continued to put relentless pressure on the biosphere, the Earth's life support system, in the last 20 years. Between Stockholm and Rio, population has grown by more than 40 percent, or more than 1.5 billion.

New scientific measurements have limned the fragile character of the biosphere, as emphasized by the depletion of the Earth's protective ozone shield, far more clearly than the Stockholm conferees could have known or appreciated.

The delegates in Rio are far more aware of the prospect of climate change, given that emissions of carbon dioxide, the heat-trapping gas that scientists fear will cause global warming, have grown by 35 percent over the two decades.

Moreover, the Rio negotiators are grappling with the problem of "sustainable development" — how to serve the economic needs of the world without damaging the biosphere and its vital resources and thereby compromising the well-being of future generations.

The concept had barely germinated in Stockholm, but now, as thinking has evolved over the last two decades, it has acquired a sort of orthodoxy.

Quayle, in Defense Of 'Moral Values,' Blasts 'Media Elite'

Compiled by Our Staff From Dispatches
INDIANAPOLIS — Picking up on his criticism of the television program "Murphy Brown," Vice President Dan Quayle urged Americans on Tuesday to stand up for traditional family values and ignore the scorn of a "cultural elite" rooted in Hollywood and the media that he said was corrupting moral values.

Speaking to 17,500 people at a meeting of the Southern Baptist Convention, Mr. Quayle built on the message of his recent criticism of the TV character Murphy Brown for bearing a child out of wedlock.

Those remarks touched off a nationwide discussion of moral values that he welcomes, and a wave of criticism that he said he happily endured.

"Moral values are what the American people care most about," he said. "This is what I say about the scorn of the media elite. I wear their scorn as a badge of honor."

"The cultural elite believes all lifestyles are equal," he added. "They think fathers are dispensable and parents don't have to be married or even of the opposite sex. They are wrong."

The remark drew one of several standing ovations from the Baptists, the largest U.S. Protestant denomination.

Mr. Quayle said most Americans agreed with him, that the strength of the nation lay in faith, family and freedom. And he attacked what he called the elite in the press, Hollywood and academia, who he said exhibited a "moral cynicism" about social problems.

"The elite's culture is a guilt-free culture," Mr. Quayle said. "They believe in the right to dispose of life. We believe in the right to life."

"It is time we join together to speak up for family, for values and principles that made America

great," he said. "If America ever lost its moral values, it would cease to be America."

On Monday, the executive committee of the 15.2 million-member church, the nation's largest Protestant denomination, took on the issue of homosexuality and the church. The panel condemned two North Carolina churches for condoning homosexuality and proposed severing ties with them and any others that do the same.

The committee asked delegates at the church's convention to amend the constitution to bar congregations that "affirm, approve or endorse homosexual behavior." Such a move would represent a departure from the denomination's historic emphasis on the autonomy of its congregations.

In advance of Mr. Quayle's visit to his home state, the executive committee had also weighed in on the Murphy Brown debate. The panel praised Mr. Quayle for his "forthright statement on the sanctity of marriage" and said that Southern Baptists also had voiced dismay "at the sort of television immorality and amorality" that Mr. Quayle criticized.

(AP, Reuters)

5 Mayors Are Impressed By 'Dynamism' of Perot

By David Von Drehle
Washington Post Service

DALLAS — After meeting with Ross Perot, the mayors of five major cities had nothing but praise for the would-be independent presidential candidate.

The mayors, four Democrats and one independent, spent two hours with Mr. Perot pleading for help with the problems of urban America. When they presented a seven-point, \$34.8 billion program for revitalizing cities, the same program that President George Bush has ignored and Bill Clinton, the Democratic front-runner, has only partially embraced — Mr. Perot asked them back for a two-day meeting to study the plan.

The mayors responded Monday by speaking of Mr. Perot in terms rarely lavished on outsiders: "intelligent," "knowledgeable" and "serious." Mayor Xavier Suarez of Miami, an independent who strongly supported Mr. Bush in 1988, pronounced Mr. Perot "singularly devoid of prejudice," and Maureen O'Connor of San Diego said he seemed "committed to women" and minorities.

The rioting in Los Angeles was discussed at length. Mr. Perot promised that the fate of the cities would be his top priority as president, they said.

"Quite frankly, we met an exciting, dynamic person today," said Mayor Sharpe James of Newark. "He is a threat to the two-party system," adding "We met a real candidate for the presidency of these United States."

The meeting was organized at Mr. Perot's request by the U.S. Conference of Mayors, and the conference president, Raymond L. Flynn, of Boston, led the delegation. Mayor Michael White of Cleveland also attended and said he was impressed by Mr. Perot's willingness to "face us," while Mr. Bush would not.

None of the five endorsed Mr. Perot, but they all gave his burgeoning, undeclared candidacy their seal of political seriousness.

The purpose of the meeting was not simply to bolster Mr. Perot, however. Mr. Flynn said he hoped it would persuade the White House to invite the mayors for a session with Mr. Bush. The panel criticized Mr. Bush and former President Ronald Reagan for ignoring the problems of cities for more than a decade.

Mr. Perot, they said, agreed that many of the United States' fundamental problems — crime, education, health and unemployment — could be addressed by rebuilding the job base in the cities.

RIO: Defending Record, U.S. Lashes Back at 'Politically Correct' Critics

(Continued from page 1)

Howard, Britain's secretary of state for the environment, announced his country's decision, saying Prime Minister John Major would sign the treaty on Friday.

Mr. Howard said Britain had held off making a decision because of concerns about financing provisions in the treaty. But, he said, Britain had found a way of overcoming the difficulties.

Earlier, the Community issued a statement interpreting a hard-negotiated pact on global warming as committing all signatories to a convention to reducing emissions of carbon dioxide by the year 2000.

The Community called on other industrialized nations to join it.

The United States, under pressure from industry lobbyists and concerned about the impact of strict limits on its overall economy, had fought hard in treaty talks to include other greenhouse gases and to include the EC's proposal as only a general goal.

Many scientists are concerned that emissions of such gases as carbon dioxide and methane are accumulating in the upper atmosphere, raising the Earth's temperature in much the same way a greenhouse would.

In Washington, the senior Bush administration official, asked why

U.S. allies were backing measures spurned by Washington, replied: "The first is the guilty developed-world logic, which runs throughout a lot of the rhetoric and runs throughout people's action."

"Some people feel that the countries that are wealthier, that have grown more over the rest of the world. Some developed countries are more susceptible to this. You see it particularly in the case of Germany and to a certain degree Japan, and that's not altogether accidental because this is one area in which they can engage in international decision-making in a politically correct fashion."

Japan and Germany have both favored providing financial aid to the developing world, while Washington has shown only limited support as it struggles with its budget deficit.

In Rio, the chief EC delegate, Laurens Jan Brinkhorst, denied that the Community's move was an attempt to snub Washington.

"We're not talking about a confrontation with the United States," he said.

The associate budget director, Robert Grady, who oversees environmental policy at the White House, tried to explain why the Bush administration had become such a lightning rod for criticism.

"It may be that our presentation and rhetoric have been inferior to other countries, but our actions have been superior," Mr. Grady said.

"If you do look at the record, it is our contention that the United States has nothing in fact to be apologetic for because we have the most advanced environmental record in the world," he said.

A U.S. delegation spokesman in Rio defended Washington's positions at the conference, particularly when asked why Mr. Bush was going to do when he arrives here late Thursday.

"If I were Bush, I would stand with great pride on the U.S. environmental record," said the spokesman, Mike Young.

The United States has been widely criticized for weakening an accord on world climate and for refusing to sign a biodiversity agreement to protect plants and animals from extinction.

The White House presented three officials at the briefing to

Clinton Works The TV Phones

NEW YORK — Governor Bill Clinton, stepping up his campaign through television, on Tuesday challenged President George Bush and Ross Perot to meet him in a debate every week between now and the general election.

Although neither candidate is likely to accept, the suggestion was an example of the Arkansas governor's strategy to dull some of Mr. Perot's bipartisan allure by engaging him on the turf he has staked claim to — live television.

Mr. Clinton's forum Tuesday was the NBC program "Today," the first of whose two hours was a question-and-answer call-in with Mr. Clinton. Callers asked the Democratic nominee about deficit reduction, nuclear-weapons testing, gay rights and health care for veterans and the elderly.

Emily Clark, Cabot Lodge Widow, Dies

NEW YORK TIMES SERVICE
Emily Sears Lodge Clark, 86, the widow of Henry Cabot Lodge, the U.S. senator and Republican vice presidential nominee in 1960, died of lung cancer on Saturday in her home in Beverly, Massachusetts.

Mrs. Clark was married to Forester A. Clark, a retired investment banker, in 1987, two years after Mr. Lodge died.

Emily Lodge was well known for her graciousness as she fulfilled the duties of the traditional consort's role during Mr. Lodge's long public career, and for her serenity. Nonetheless, when the Lodges got the news that Vice President Richard Nixon had chosen him as his running mate in his campaign for president in 1960, she later reported, "Cabot was very calm about it, but I practically dropped the coffee pot."

She won praise from John Mason Brown, a writer and lecturer of that day. "Every man in politics should marry an Emily Lodge," Mr. Brown once said. "She is the warmest, nicest person you can imagine with a great dignity and incredible enthusiasm. She has a swift mind; she loves music, painting and reads everything."

She was born in Beverly, the daughter of Henry F. Sears, a doctor, and grew up partly in France. Her schooling as a child came largely from tutors.

Delta Cuts Business Fares On Trans-Atlantic Routes

By Edwin McDowell
New York Times Service

NEW YORK — Only three days after the major air carriers ended their latest domestic price war, Delta Air Lines fired another salvo by lowering trans-Atlantic fares up to 45 percent in a move that mainly affects business travelers.

The fares, which became available Tuesday, apply on full coach, business and first-class seats on business and first-class seats on the round-trip flights to any of Delta's 36 trans-Atlantic destinations. Advance-purchase fares, used chiefly by tourists, stay the same.

Continental Airlines said it would match Delta fares from most of its domestic markets to the five European cities where the two carriers compete: London, Paris, Frankfurt, Munich and Madrid.

United Airlines announced a similar move while American Airlines said it was considering its response.

In Atlanta, a spokesman for Delta said the lower fares were available only to U.S. residents who buy the tickets in the United States. He said international agreements prevented the company from making the same offer outside the United States.

Delta's new fares are for travel starting no later than Sept. 30, with

the round-trip to be completed by Oct. 14. There is a 14-day maximum stay, but no minimum requirements.

Because of the summer Olympic Games, the fares do not apply on travel between the United States and Spain from July 19 to Aug. 9.

Under the new fares, which are fully refundable and do not require advance purchase, the round-trip coach from New York or Newark to Amsterdam is \$1,500, down from \$2,000. Business class is \$2,000, down from \$2,600 and first class is \$3,600 instead of \$4,800.

From New York or Newark to Moscow, coach is \$1,800, down from \$2,382; business class is \$2,400, down from \$3,230, and first class is \$3,600 instead of \$4,800.

From New York or Newark to Rome, coach is \$1,500 instead of \$2,016, business class is \$2,400 instead of \$3,230 and first class is \$4,400 instead of \$5,774.

For U.S. travelers expecting to go by bus this summer, Greyhound Lines Inc. on Monday shortened the length of advance purchase for its cheapest tickets from 21 days to 14 for a 50 percent discount and from 14 days to 7 for a reduction of 35 percent.

Greyhound also offers a discount of 20 percent for three-day advance purchases.

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HURRY UP AND WAIT — After two weeks of being locked inside the Gaza Strip, Palestinians eager for work waited Tuesday for job permits or new employment opportunities in Israel, more difficult to get since a Gaza man killed an Israeli girl. Israeli employers blocked roads in the Gaza Strip to protest the rules. The Defense Ministry said the rules would be relaxed Wednesday morning.

Slain PLO Aide Was to Meet Paris Official

By Youssef M. Ibrahim
New York Times Service

PARIS — A top security official of the Palestine Liberation Organization who was shot to death here early Monday, had come to France for an appointment with a high official of the French secret service, according to PLO officials in Tunis.

Atef Bseiso, who was shot while returning by car to his Left Bank hotel after a late dinner, had been greeted upon arrival in France by two agents of the service, the PLO officials said.

They added that he was in France "on an official mission" with the knowledge of French authorities.

The officials said that Mr. Bseiso, who was 44 and had held the post of director of external security, was shot by a team composed of at least two groups of men, some of whom waited in a getaway car near the entrance to the Meridien Montparnasse.

According to people involved in the investigation and a witness who asked for anonymity, one of the two men who attacked Mr. Bseiso pushed him against his car as he got out and the other shot him several times in the neck and chest.

The witness said that the men

had bags connected to their guns to hold ejected bullet casings, leaving no evidence at the scene.

The PLO officials, who belong to the same security apparatus as Mr. Bseiso, said they suspected that information about Mr. Bseiso's arrival in France from Berlin, and his plans for that night, had been leaked by members of the French secret service to his killers.

Virtually all PLO officials interviewed Tuesday dismissed the notion that Mr. Bseiso was killed by agents of the renegade Abu Nidal terrorist group, which murdered his superior, Salah Khalaf, in January 1991 in Tunis.

Since then, the intelligence and security functions of the Palestine Liberation Organization have been handled by its chairman, Yasser Arafat, for whom Mr. Bseiso acted as deputy in security matters.

The speculation about the role of the Abu Nidal organization was advanced by French officials. But in Beirut, a spokesman for that group denied responsibility.

"The operation was carried out six hours after Atef arrived in Paris," a high PLO security official said in an interview. "The speed with which exact information of his whereabouts was gotten, and the degree of professionalism with

which it was carried out, demands a logistical support system that extremist organizations simply do not possess."

PLO officials added that the Abu Nidal terrorists were besieged in their hideouts in Libya and Lebanon and were in no position to organize any significant and complicated terrorist operation anywhere.

"We are sure it is a Mossad operation, and we are unfortunately also sure they received their information from their contacts inside the French intelligence community, with whom they have close ties," a PLO official asserted.

Mossad is Israel's intelligence and security branch for operations abroad.

PLO officials said Mr. Bseiso drove to Paris from Berlin, where he had been on a mission as part of a broad reorganization of the organization's intelligence network in Western Europe.

They said he had called his contacts in French intelligence a few hours before setting off from Germany and that an appointment had been made for him to meet a senior official of the French secret services.

Paris officials confirmed that Mr. Bseiso, who visited France secretly several times before, had been in regular contact with officials of the DST and the DGSF, the internal and external arms of French secret services. They said he had arrived in France with their knowledge.

PLO officials said Mr. Bseiso was greeted upon his arrival at the Meridien Montparnasse by two officials of the secret services, who informed him that his appointment with the unidentified high official had been set for Monday at 10 A.M.

French officials confirmed this.

Jewel Robbery at Paris Ritz

The Associated Press
PARIS — Five thieves smashed open a display window in the Ritz Hotel with baseball bats and hammers and made off with jewels valued at more than \$1 million, the police said Tuesday. They said the thieves overpowered a concierge Monday and took jewels on display from five of France's best-known jewelers — Mauboussin, Boucheron, Chaumet, Cartier, and Van Cleef and Arpels.

Cairo Writer Who Mocked Extremists Is Killed

Compiled by Our Staff From Dispatches
CAIRO — Farag Foda, an Egyptian writer who denounced and mocked Muslim fundamentalists, was shot by two masked men on a motorcycle on Monday evening and died in a hospital on Tuesday.

One of the two attackers was captured.

The Interior Ministry said he was Abdel-Shafiq Ramadan of Cairo, a member of the underground Muslim group that assassinated President Anwar Sadat in 1981.

The newspaper Al-Ahram reported that Mr. Ahmad said his group had decided a month ago to start killing secular figures.

Mr. Foda, 49, was shot while getting into his car outside his office in Cairo's Nasr City. His 15-year-old son and a companion were wounded.

A few hours earlier, he had announced plans to form a movement to unite Egyptians of all religions.

A professor of agriculture, Mr. Foda wrote a weekly column for the magazine October and strongly opposed Islamic extremism.

His last article, published Sunday, said the Tunisian government had videotaped fundamentalist leaders having sex with women on prayer rugs.

"The forces of darkness are obsessed with sex," he wrote, ridiculing a militant group in Assiut, southern Egypt, for banning eggplants and marrows because of supposed sexual connotations.

"I feel very sorry for them. Unemployment, the housing crisis, high marriage costs and sexual impulses give them no rest."

Mr. Foda had also published books about the Muslim Brotherhood, secularism, terrorism and the rightist New Wafd Party, of which he was once a leading member.

(Reuters, AP)

Mecca Appears Peaceful, but Not to Iraq and Iran

Compiled by Our Staff From Dispatches
MECCA, Saudi Arabia — About 2 million Muslims crowded the holy city of Mecca on Tuesday for the annual hajj pilgrimage, and officials and pilgrims say the holy days are proceeding without incident.

But reports from Iraq and Iran complained that their pilgrims had been mistreated.

Saudi officials said a million pilgrims who flocked to Saudi Arabia from abroad would be joined by another million Saudi residents at daybreak Wednesday for the high point of the hajj, a mass prayer on the slopes of Mount Arafat just outside Mecca.

Officials and pilgrims questioned in the streets of Mecca described this year's pilgrim

age as free of trouble, with conditions improved under a \$5 billion Saudi plan to expand and refurbish the sites.

The only problems appeared to be the usual overcrowding and temperatures that ranged up to 42 degrees centigrade (107 degrees Fahrenheit).

An official in Baghdad said more than 10 Iraqi pilgrims had died because of Saudi mistreatment, and he accused Saudi security forces of molesting women making the pilgrimage.

The Iraqi religious affairs minister, Abdullah Fadhel, said his country held Saudi King Fahd personally responsible for the alleged killing of Iraqi pilgrims.

Mr. Fadhel said the pilgrims died in a desert

camp near the Saudi city of Medina because the authorities left them without food and water for five days. "They were forbidden to leave the camp," he said.

Several radical newspapers in Iran accused Saudi security forces of treating Iranian pilgrims in anti-Islamic and insulting fashion.

There was no immediate Saudi reaction to the Iraqi allegations, but Saudi Arabia strongly denied the press allegations that Saudi forces have been treating Iranian pilgrims in "anti-Islamic" fashion.

"Such information is totally unfounded and constitutes vain attempts to undermine efforts aimed at improving relations between the Saudi kingdom and Iran," an official Saudi spokesman said.

(AFP, Reuters)

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INTERNATIONAL Herald Tribune

Ruling Party Leads Vote in Indonesia

JAKARTA—Indonesia's ruling party surged ahead in early results from the general election on Tuesday, underscoring President Suharto's continuing hold over the country after almost 27 years in power.

The early tally showed the governing Golkar alliance well ahead in every province, with nearly 83 percent after 5 percent of the vote had been counted. That compared with the 73 percent, along with all 27 provinces, that the party won in the 1987 election.

"A vote for Golkar is a vote for Suharto," Interior Minister Rudini said after announcing the first count at national election committee headquarters.

The two opposition parties — the populist Indonesian Democratic Party and the Muslim-based United Development Party — shared what was left about equally.

The elections pose no threat to Mr. Suharto's rule. They were seen by critics as a contrived ritual and by supporters as good practice for the eventual return to true civilian rule.

Members of Indonesia's leading dissent group, the Peitition of 50, said they would not vote. Wachdiat



Civil servants of the governor's office in Jakarta waiting in line to cast ballots Tuesday in Indonesia's parliamentary elections.

also expressed doubts over whether the election would be fair.

But during a tour of Jakarta on Tuesday, Mr. Suharto said: "I saw witnesses at the polling stations.

There will be no unfairness in the polls.

In the capital, the usually crowded streets were almost deserted, shops and commercial centers

In Hanoi, One Party But Many Voices

By Henry Kamm
New York Times Service

HANOI — Old-guard Communists still wield power here in what remains a sternly ruled one-party capital. Red banners proclaiming fidelity to the legacy of the late President Ho Chi Minh are strung across the streets of this city of traditional Vietnamese and French colonial architecture.

But after decades of reticence toward foreigners and uniformity of expressed views, people in Hanoi now speak in many and varied voices.

They engage visitors in conversation in the streets, eager to practice their English, which young and old are earnestly studying as the key to a better future. And, in a practice unthinkable until recently, they invite foreigners to their apartments and disclose views that belie the image of single-minded heroism and austerity cultivated under Communist rule in northern Vietnam since 1954.

A scholar in his 60s, who fought against the French in the 1940s and has been a Communist Party member since then, laughed when asked how people squared Vietnam's new enthusiasm for capitalism with equally ringing affirmations, anchored in the constitution revised this year, of the leading role of the Communist Party.

"It reminds me of my grandfather, a very strict mandarin," he said in the melodious French of the old Indochina. "When I was a boy, he sent me letters, very severe letters. 'If you don't obey your father and teachers, I don't recognize you as my grandson,' he wrote. His strictness shocked me. But later I learned that he had mistresses in every town."

"This is just like the party speeches," he added. "People laugh at them. With my friends, whenever somebody mentions the differences between what we say and what we practice, all we can do is burst out laughing. The people in the countryside feel the same way. They are even more practical than pragmatists. They expect politicians to make speeches they don't mean."

Bao Ninh, 40, is the author of a best-selling novel that for the first time describes the war between South and North not as a heroic struggle by noble Communists against American puppets but as bitter savagery between brothers,

QUEEN: A Throne Under Siege Carries On, Regally

(Continued from page 1)

Princess of Wales has not co-operated with the book, Buckingham Palace continues to stand aloof.

Queen Elizabeth's ability to rise majestically above events is not just a performance turned on for her French hosts. It is part of the bit-and-bridle training of royalty from birth. Breaking in Diana, who came in from the outside, seems instead to have broken the princess.

But would a separation or divorce by the royal couple really cause an immediate crisis for the British monarchy? Queen Elizabeth seems hale and hearty for her 66 years, and she has already announced that she will not be moving over to let Charles have a go. Her own mother, the much-loved Queen Mum, is 91, and her ancestor Queen Victoria reigned for more than 60 years. Ten or 20 years — or more — is a long time to keep tabloid readers' interest up.

Yet, there is a stirring of discontent in England and not just among people with serious republican leanings. A wider public increasingly asks why the queen of England should be exempt from paying tax on her private fortune, and why her extended family should be on the public payroll. The antics of the younger royals do not really shock. What grates is that "Fergie," the Duchess of York, appeared to grab what she could get when she joined the royal family and will get a payoff as she bows out.

Queen Elizabeth has been painstakingly dutiful and so careful with her money that, while her race horses at

PEROT: Poll Data Suggest His Support Is Not Hard

(Continued from page 1)

— those questioned in the poll were asked if the statements made them more or less likely to vote for the hypothetical candidate.

Roughly half for example, including nearly half of Mr. Perot's current backers, said they would be less likely to vote for a candidate who said he would not appoint homosexuals or people who had had extramarital affairs to his cabinet, something Mr. Perot suggested recently.

Sixty-five percent of the public, and 53 percent of Mr. Perot's supporters, said they would be less likely to vote for a candidate who "made a fortune doing business with the federal government." Mr. Perot's wealth was built initially on Electronic Data Systems Corp., which supplied computer services to federal and state agencies.

Roughly half of the respondents and half of Mr. Perot's supporters also said they would be less likely to vote for a candidate who had contributed to Richard Nixon's campaigns and who had supported the Vietnam War. Mr. Perot enthusiastically supported the war and indirectly, at least, aided Mr. Nixon through his company and its employees.

Still, the survey of 1,512 Americans, conducted from Wednesday through Sunday, also suggested that Mr. Perot has begun to build a loyal following and that many voters are backing him not only because of their opposition to Mr. Bush and Mr. Clinton, but also

PEROT: Poll Data Suggest His Support Is Not Hard

because of Mr. Perot's own appeal. Half of Mr. Perot's backers said they supported him because they liked him and not simply because they opposed the other candidates.

In a three-way race, Mr. Perot, who is expected to seek the presidency as an independent, was the choice of 36 percent of registered voters to 30 percent for Mr. Bush and 26 percent for Mr. Clinton, who has clinched the Democratic nomination. Among likely voters, Mr. Perot rises to 38 percent, while the percentages for Mr. Bush and Mr. Clinton stay the same. The poll had a margin of error of plus or minus 3 percentage points.

Because Mr. Perot is beginning to win an edge from voters on what had been Mr. Clinton's best issues, such as unemployment, and because he is emerging as the main beneficiary of anti-Bush sentiment, the poll suggests that Mr. Perot is now hurting Mr. Clinton much more than Mr. Bush.

When Mr. Perot's current supporters were asked whom they would vote for were Mr. Perot not to run, they split 50 percent for Mr. Clinton and 29 percent for Mr. Bush. In such a two-man race, Mr. Clinton had 44 percent among registered voters to 40 percent for Mr. Bush.

While Mr. Bush leads Mr. Perot comfortably among Republicans, 59 percent to 29 percent, Mr. Clinton holds a less commanding 48 percent to 35 percent lead among Democrats. Self-identified independents back Mr. Perot by a large margin.

LATIN AMERICA

THE NEW ECONOMIC CLIMATE

Madrid, July 21-22, 1992

A major conference co-sponsored by the International Herald Tribune
Inter-American Development Bank and Argentaria-Corporación Bancaria de España

JULY 21

09.45 CHAIRMAN'S INTRODUCTORY REMARKS
Lee W Huebner, Publisher, International Herald Tribune
Francisco Luzón, Chairman, ARGENTARIA - Corporación Bancaria de España

10.00 LATIN AMERICA: THE SEA CHANGE IN ECONOMIC THINKING AND PLANNING
Enrique V Iglesias, President, Inter-American Development Bank

10.45 HOW THE NEW IDEAS ARE PROMOTING A MORE STABLE FORM OF GROWTH
Samuel Dorla, Minister of Planning, Bolivia
Angel Gurría, Undersecretary for International Financial Affairs, Mexico

12.15 Coffee

12.45 INVESTMENT IN LATIN AMERICA: BETTER OFF AND BACK IN FASHION
Pedro Pablo Kuczynski, Chairman, Nueva Management Inc, New York
Francisco Luzón, Chairman, ARGENTARIA - Corporación Bancaria de España
Gunther Muller, General Manager, Inter-American Investment Corp, USA

14.15 Lunch

16.00 COMBINING ENVIRONMENTAL PROTECTION AND SUSTAINABLE DEVELOPMENT
Herman Bravo, Minister of Natural Resources, Energy and Mines, Costa Rica
Stephan Schmidheiny, Chairman, Anova AG, Switzerland, and Chairman, Business Council for Sustainable Development

17.00 ROUND TABLE: LATIN AMERICA'S PRIVATIZATION PROGRAMS
A Host Government View:
Eduardo Medina, President, National Development Bank of Brazil
An Investor's View:
Miguel Aguila, President, Iberia
A Banker's View:
Gerrit Timmes, Vice Chairman, NMB Postbank Group NV

18.30 Cocktail Reception - Hosted by ARGENTARIA

JULY 22

09.30 WHY FOREIGN COMPANIES ARE LOOKING AGAIN AT LATIN AMERICA
David de Pury, Chairman, Asea Brown Boveri Ltd, Baden
Cándido Velázquez, Chairman, Telefónica de España

10.45 LATIN AMERICAN INTEGRATION: A RENEWED CATALYST FOR COOPERATION
Central America's Peace Dividends:
Erwin Krueger, Minister for External Cooperations, Nicaragua
The Andean Pact Revival:
Enrique Garcia, President, Andean Development Corporation, Bolivia
The Mercosur:
Felix Peña, Director of Integration, Argentina

12.00 Coffee

12.20 ADJUSTMENT MEASURES: GETTING THE SOCIAL BALANCE RIGHT
Carlos Ominami, Minister of Economy, Chile
Prof Louis Emmerli, President, OECD Development Centre

13.15 LATIN AMERICA STOCK MARKETS: THE EMERGENT STARS
Alvaro Vidigal, Chairman, Sao Paulo Stock Exchange
Audley Twiston Davies, Managing Director, Latin American Securities Limited

14.15 CONCLUSIONS OF THE CONFERENCE
Enrique V Iglesias, President, Inter-American Development Bank

14.30 Lunch
Special Address: Speaker to be announced

16.30 Close of conference

In order to provide delegates with an up-to-the-minute outlook for the region, a modified, final program will incorporate a number of additional speakers.

REGISTRATION INFORMATION: The fee for the conference is \$595.00. This includes lunches, the cocktail reception and all conference documentation. Fees must be paid in advance and will be refunded less a \$50.00 cancellation charge for any cancellation received in writing on or before July 5, after which time we regret there can be no refund. Substitutions can be made at any time.

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Beyond

By Thomas Quinn

PARIS — The director and writer of the film "The Untouchables" has come to the theater to discuss the film's success and the director's career.

In other news, the film "The Untouchables" is a success story. The director, Brian Koppelman, and writer, David Levien, have won the hearts of audiences and critics alike.

The film is a masterpiece of storytelling, capturing the essence of the original TV series and bringing it to a new level of cinematic excellence.

For more information on this and other films, visit our website at www.beyond.com.

مکان الأصيل

OPINION

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

East Europe's Challenge

Perhaps it is inevitable that when a great empire collapses, its territories fragment into a profusion of small states driven by a surge of liberated nationalism. In Eastern Europe that happened after the fall of the Ottoman and then the Austro-Hungarian empires, and it is now happening again after the sudden evaporation of Soviet power.

Not 'Ivan the Terrible'?

"Ivan!" the witness cried. "I have no shadow of a hesitation or a doubt. It is Ivan from Treblinka, from the gas chambers — the man that I am looking at this very moment. I saw the eyes, the murderous eyes and the face." Another survivor testified: "There is Ivan the Terrible. I dream about him every night."

It's a Bad Balancing Act

This week the U.S. House will vote on a series of constitutional amendments, all of which would require a balanced budget. Each would tilt spending away from long-term investment, the opposite of sane policy. Worse yet, byzantine tactics by opponents of the amendments might backfire and produce the worst possible result.

Other Comment

Let Thailand's People Decide
For days, government and opposition MPs [in Thailand] have been wasting precious time and mental energy in arguing about who should form a new government. However, the issue is restoring faith in a leadership that abandoned people to the rule of guns and brute force after failing to meet their aspirations.

INTERNATIONAL HERALD TRIBUNE

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Yugoslavia: Move Decisively or Not at All

By Charles Kranthammer

WASHINGTON — As the slaughter in Yugoslavia continues, the calls are growing louder for the United States to intervene. The calls come not just from where you would expect — from suffering Croats and Muslim Slavs, helpless before Serbian advances.

Peter Rodman points out, is the folly of the earlier blanket UN embargo on arms to all sides of the conflict. That did nothing to hamper the Serbs, who have all the assets of the Yugoslav Army at their disposal. It simply left Bosnia and Croatia disarmed and helpless.

Bush Is No Enemy of Israel's, and the Facts Show It

By Daniel Pipes

WASHINGTON — Israel's supporters have had it with George Bush. Pointing to a sequence of hostile acts — his awful remarks at a press conference last Sept. 12, Secretary of State James Baker's alleged vulgarisms, the leak about arms transfers to China, the State Department's endorsement of a Palestinian right of return.

Stressing a politician's style so heavily has the strange effect of rendering his actions relatively unimportant. In December 1988, when George Shultz took the step friends of Israel most dreaded — opening official U.S. relations with the PLO — they raised hardly a word of protest.

Perot's Pitch Is Useful — For Now

By A. M. Rosenthal

NEW YORK — Traveling abroad for a couple of weeks, I found myself missing Ross Perot. That startled me. I can't think of another American politician I ever thought about when I was absorbed writing from foreign countries. Yes, politician — it would help to see more clearly if we thought of him that way, not as the Lone Ranger.



But that still leaves enough voters to tip the election one way or another. Some are not happy about the president but totally put off by Mr. Clinton and hate saxophones. ABC: Anybody But Clinton. Before Mr. Perot took off, anybody was just George Bush. Now they have a choice: Mr. Bush or Mr. Perot.

Clinton Ought to Ride the Perot Wave

SOME panicked Democrats are urging Bill Clinton to attack Ross Perot. As the Clinton campaign gets more frustrated with its inability to penetrate the Perot phenomenon, the temptation to lash out grows. Relax. The most important things about Mr. Perot's candidacy for Mr. Clinton are that it is real, it has some staying power and it will cripple George Bush. Every day that Mr. Perot is in the news attacking Mr. Bush, attacking the direction the country is heading, is a day Mr. Clinton benefits.

stand the fear — that he will turn out to be nothing but a noise on a horse — with all the nasty memories that brings back. If so, Americans can dispense with horse and rider at election time. Isn't that the whole idea? Meantime, Mr. Perot is waking up American politics and the parties will never be quite the same. Is that bad? Where's the beef is a good question. So is what's the beef.

Star Wars: No Need for Such Haste

By Leslie H. Gelb

NEW YORK — The Bush administration may be brain-dead on domestic policy. But it is doing a clever job of setting mini-star wars traps for Russia, NATO allies and Congress. And the White House is about to spring those traps.

Vigorous research and development, yes. But not the \$54 billion requested by the Pentagon or the \$4.3 billion just approved by the House for next year alone. Here is why.

Mr. Yeltsin seems ambivalent. He does not want to be left out of the advanced-technology game and see Russian nuclear punch neutralized. Yet he has no money for such costly common causes.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1892: Grand Old Hoopla

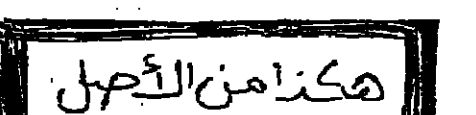
NEW YORK — The leaders of both factions of the Grand Old Party have descended to detective catches at their Minneapolis Convention, which is much like a war dance. Twelve skilled detectives are tracking delegates from one room in the hotel to another, trying to get evidence of what most suspect: that the transfer of allegiance from Harrison to Blaine was not effected without the use of money.

1917: Volcano Erupts

NEW YORK — Thousands are dead throughout the republics of San Salvador and Guatemala in the earthquake caused by the eruption of the volcano of San Salvador, at the base of which the city of San Salvador is situated. Torrents of lava are pouring

1942: Bir Hacheim Held

WITH ALLIED FORCES IN LIBYA — [From our New York edition:] The Free French defenders of Bir Hacheim held their desert stronghold after beating off the tenth and strongest, Axis assault in two weeks of battle. The attack started at dawn yesterday [June 9] with a pounding from twenty-five German dive-bombers. There followed a long, intense artillery barrage. Bir Hacheim is a plateau almost four miles square, set in the desert, in the center of which a "well of wisdom" gives the fortress its name. French units in the desert were electrified by the valor of the garrison. "Bir Hacheim may well be the spark which will set Vichy afire," said one French officer.



OPINION

The Earth Most Needs a New Style of Activist

By Theodore Roszak

BERKELEY, California — I am listening to a lecture by Helen Caldwell, the environmental activist. She is in top form, holding forth with her usual bracing mixture of caustic wit and philosophical urgency. All around me an audience of the faithful is responding with fleming fervor, cheering her on as she fizzes a familiar checklist of impending calamities: acid rain, global warming, endangered species.

MEANWHILE

energy is producing scores of anencephalic births in the industrial shantytowns along the Mexican border? "Every time you turn on an electric light," she admonishes us, "you are making another brainless baby."

Only a few groups, such as the Worldwatch Institute, deal with the planetary habitat as a whole, seeking to assign the issues some priority. Otherwise, the biosphere has been Balkanized into a landscape of disaster areas. Scores of groups compete for public attention and funds, and the end result may be public rejection.

Despite my reservations, I do my best to go along with what Dr. Caldwell has to say — even though I suspect that there is no connection between light bulbs and brainless babies. The increase in anencephalic births around on the Mexican border probably has more to do with the dumping of toxic wastes. And isn't that bad enough?

Humor aside, a fanatical anti-environmental backlash is stripping away the ecologists' most important asset: their claim to public virtue. Until now the business community has been forced to handle the movement with care, redefining products in eco-friendly terms, running advertisements featuring frisky animals and edenic landscapes.

Will the World Bank Invest in Us?

THE EARTH SUMMIT comes at an auspicious time. Over the next few years, the end of the Cold War will release untold financial and human resources — perhaps most important — national and international resolve that were once focused in East-West confrontation. A portion of these resources must be used to meet the challenges facing humanity; in particular, it must be harnessed to reduce global poverty and environmental destruction.

Four legislators formulated this joint appeal to the World Bank. They are: Tony Hall, chairman of the U.S. House of Representatives Select Committee on Hunger; Jim Lester, vice chairman of the British Parliament's All-Party Group on Overseas Development; Wakako Hironaka, a member of the Japanese Diet; and Uwe Holtz, a member of the German Bundestag.

greatly increased access to basic services; the availability of basic education and health care are, for example, highly correlated to slow population growth. We are asking that the bank keep a pledge made in 1990 to dramatically increase spending on primary health care and basic education and ensure that some of the resources being spent on clean water and safe sanitation are shifted away from large-scale projects to those projects that utilize new, relatively inexpensive technologies that can most effectively reach the poorest, most rural people.

For example, the bank could fund more programs like Orangi Pilot Project in Pakistan, a program run by a nongovernmental organization that has brought clean water and safe sanitation to 600,000 poor people at a cost of less than \$50 per household.

As a result of pressure from environmental groups, the bank has hired a distinguished group of economists to staff its environmental department; among them are professionals who have written forcefully about how to avoid environmentally damaging projects. Their analysis could have prevented de-

bares like the Polonoroeste natural resource management project in Brazil, which the bank acknowledges "resulted in unchecked deforestation."

In order to avoid the kinds of ecological problems many associate with bank projects, we are asking that its environmental staff be included in the very earliest stages of project identification, design and implementation.

Provide assistance to countries that are helping themselves. The bank recently announced a policy stating that the volume of its lending "should be linked to a country's efforts to reduce poverty." We urge the bank to implement this promising policy by implementing a significant number of anti-poverty loans.

This proposal is rooted in our firm belief in the existence of solutions to poverty that have stood the test of time. For instance, the Indian state of Kerala, with a population of 6 million, has successfully implemented a comprehensive set of anti-poverty measures — including land reform and highly effective health and nutrition programs — over the last 15 years. If India, Pakistan and Bangladesh had child-death rates as low as Kerala's is, the lives of 10,000 children would be saved every day.

If the bank responds to these proposals positively, we will have an easier time responding favorably to the bank's upcoming funding request. In so doing, it will demonstrate that any institution — large or small, local or international — can adjust its course and play a constructive role in delivering on the promise of the Earth Summit.

International Herald Tribune.

Environmentalism may not require the "undoing of the Industrial Revolution," as Mr. Reisman said, but it does involve inventing new concepts of wealth and well-being that challenge many of the values on which Western politics is based. Change on this scale will be the work of generations. But here and now something basic has to be decided. In its task of saving life on earth, does this movement believe it has anything more to draw on than the ethical resolution of a small group of overworked, increasingly vituperative activists who feel they may have to be entrusted with more and more domineering control over the conduct of daily life?



GOOD TO BE AT THE EARTH SUMMIT LISTENING TO YOU GETTING TOGETHER WE NEED A PICTURE OF US STANDING NEXT TO A TREE AND THEN I'M OUTTA HERE!

LETTERS TO THE EDITOR

EC Food Aid Is Abundant

I read with astonishment the editorial entitled "A Job to Do in Africa" (June 1) blaming the European Community for "not pulling its weight," while the United States "has already pledged \$252 million in total food and nonfood aid."

Letters to the Editor

EC Food Aid Is Abundant

constitutes a gross misrepresentation of European citizens' solidarity with the developing world. BRUNO DETHOMAS, EC Commission Spokesman, Brussels.

Letters to the Editor

Get Back on the Right Side

Regarding "Hot Air in Rio Would Be a Waste of Precious Time" (June 3): "If you're not part of the solution, you're part of the problem" sounds like "If you are not with us, you are against us." The Greens must learn that solutions to the environmental crisis must be based on sound economics — not jingoism. GUY McCRAKEN, St. Petersburg.

Keep the European Dream

As a committed European, I applaud Giles Merritt's opinion column "Wary Danes Have Done Europe a Favor" (June 4). But while it is highly desirable that the Maastricht treaty be revised and while we must not sacrifice the ideal of democracy to the altar of Brussels, we also must guard against throwing out the European baby with the Jacques Delors bathwater. By all means, let the European vox populi decide on the future of a "New Europe." But let's not

Letters to the Editor

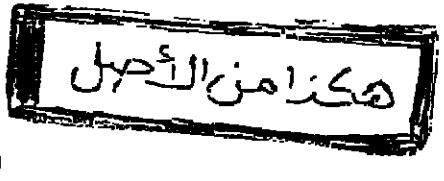
Keep the European Dream

lose sight of the ultimate European dream. Abandon it and we betray those who sacrificed their lives to bring about the possibility of building a "New European House" through the events of 1989-90. KARL H. FAGAC, London.

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MEDIA MARKETS

Public Relations Firms Are Focusing on Finance

By Michael Quint

NEW YORK — As banks and insurance companies struggle to overcome their bad loans and brokerage firms cope with insider trading and all three fight to expand into the others' business, some public relations experts think the time is ripe for a new push for clients in the financial-services industry.

At Burson-Marsteller, which says it has surpassed Hill & Knowlton as the world's largest public relations agency, this financial group, to 10 people.

The new additions include four highly paid senior executives with decades of public relations experience at Chase Manhattan Bank, Morgan Stanley & Co., Salomon Brothers and First Boston Corp. — the types of blue-chip companies that public relations firms crave as clients.

Burson-Marsteller is leading the push for banking, brokerage and insurance clients.

"Nobody else is making the quite massive investment that Burson is in the financial-services area," said Paul A. Holmes, editor of Inside PR, a newsletter. "Burson is hiring people who know the business and have good access to potential clients."

Burson officials say they are confident that their moves will open more doors with new clients in the financial field. "A lot of banks have cut staff, but they still have just as much work to be done," said Fraser P. Seitel, who joined Burson last week as a senior counselor and had been head of public relations at Chase Manhattan. "There is a limit to how much the remaining staff at the banks can double up, so I think prospects are good for outside providers like us."

Mr. Holmes said banks in particular need advice. Even as they are seeking to expand in the insurance business and to open branches across the United States, he noted, banks have had their image tarnished by heavy loan losses, layoffs caused by mergers and a poor record of lending in low-income neighborhoods.

THE LATEST ADDITION to Burson's stable, Mr. Seitel spent 20 years at Chase Manhattan, leaving in February to start his own firm. Besides counseling three Chase chairmen — David Rockefeller, Willard C. Butcher and Thomas G. LaBrecque — Mr. Seitel wrote a public relations textbook.

Mr. Seitel will report to Charles Francis, who worked for him years ago at Chase and was head of corporate and financial public affairs at Hill & Knowlton's Washington office until this year.

Mr. Francis's move to Burson from Hill & Knowlton was illustrative of a shift in the public relations business. With \$215 million in billings last year and a parent company — Young & Rubicam Inc. — that is large and healthy, Burson executives say their business is benefiting from the problems at Hill & Knowlton, whose parent, WFP Group PLC, is having financial troubles.

Earlier additions to the financial-services group include Peter Roche, a reporter at The Wall Street Journal and later head of corporate communications at Morgan Stanley for eight years, until late 1990. "After eight annual reports and years of dealing with the same issues at a single company, I wanted a change," he said.

Also on the Burson team is Mary McCue, head of the public affairs office at the Securities and Exchange Commission for more than seven years, until September 1991. Before moving to the SEC, she was in charge of press relations at First Boston.

Sarah Campbell, who spent seven years at Salomon Brothers, rising to the No. 2 post of that firm's public relations department, joined Burson in early May.

The decision to focus on the financial-services industry came from James E. Murphy, chief executive of Burson's New York office and formerly head of public relations at Merrill Lynch & Co. Mr. Murphy noted that as the public and journalists became savvier about financial issues, the job of public relations firms expanded to more than preparing and delivering press releases.

Members GM Reformer Takes On U.S.

Snub EC Budget

Finance Ministers Oppose Delors

By Charles Goldsmith

LUXEMBOURG — Just a week after Danish voters rejected the new European Community treaty, a clear majority of EC finance ministers said Tuesday that a proposed new five-year Community budget was far too ambitious.

The 1992-97 budget proposed by the EC Commission president, Jacques Delors, contains substantial sums to finance new commitments outlined in the Maastricht treaty on economic and political union.

Several countries, led by Britain, Germany and the Netherlands, have long urged a cautious approach to new EC spending, and Denmark's June 2 rejection of the Maastricht treaty has won converts to the go-slow camp. "We feel that the current ceiling is sufficient for years to come, and that is a view shared by the majority of ministers," said Norman Lamont, chancellor of the British Exchequer.

Belgium's finance minister, Philippe Maystadt, said he expected Mr. Delors to propose a compromise budget at the June 26-27 summit of EC leaders in Lisbon, but a commission spokesman said such a conclusion was premature.

"Seven countries were clearly opposed at this time to an increase in the spending ceiling as proposed by the commission," said an EC diplomat. The commission has proposed a boost in the ceiling from the current 1.2 percent of the community's gross domestic product to 1.37 percent in 1997. That would raise the ceiling to \$6 billion European currency units (\$110.68 billion), from \$6 billion ECUs.

The seven countries opposed to the increase say spending is still below the 1.2 percent ceiling, so an ambitious increase is unnecessary at this time.

Only Greece, Spain, Portugal and Ireland — the Community's so-called Poor Four — supported the proposed spending ceiling increase. Those four countries would benefit from the budget's proposal to commit 10 billion ECUs over the next five years to a new "cohesion" fund pledged by the Maastricht treaty. Denmark did not voice an opinion on whether the spending ceiling should be increased, diplomats said.

The budget proposal also contains a handsome increase in EC foreign-policy expenditures to account for the Maastricht treaty's increase in those responsibilities.

Despite the Danish rejection, the EC ministers pledged to pursue adherence to the Maastricht treaty's tough economic criteria.

By Roger Cohen

New York Times Service

ZURICH — A revolution in the way cars are made that started in a small, nondescript office building in a Zurich suburb is sweeping General Motors Corp. Its code word, coined by a Spaniard, is "Picos."

Repeated like a shibboleth by executives at GM's modest European headquarters, Picos is short for "program for improvement and cost optimization of suppliers."

In essence, the term covers the mix of ruthless probing, consultation, orders and ultimatums that J. Ignacio Lopez de Arriortua used to slash the cost of parts for GM Europe, making it hugely profitable while its Detroit-based parent piled up losses.

Now, Mr. Lopez, an indefatigable 51-year-old engineer sometimes referred to as the "grand inquisitor" in European automotive circles, is attempting to do for GM in the United States what he already achieved in Europe as the executive in charge of purchasing.

That is, GM's new management would like to see GM Europe's performance — it has piled up \$8.54 billion in profits since 1987 — repeated at home.

"He ran the European parts operation the way they now want the whole North American operation organized," said John F. Smith, vice president for planning of GM Europe, who is not related to John F. Smith Jr., the GM president. "That's why he's over here. That's his mission. And I tell you he's driven."

Named vice president for worldwide purchasing in Detroit in April, Mr. Lopez gave a taste of his medicine on June 2 when he told startled executives from GM's suppliers that contracts would be reopened for bidding, that prices would be renegotiated, that GM would no longer favor its internal manufacturers,

which supply 70 percent of components in GM vehicles, and that 50 percent improvements in productivity were expected by 1995.

"We were told the slate is clean," said John Kennedy, president of Autocam, a supplier in Grand Rapids, Michigan.

Mr. Lopez has made clear his determination to change GM's culture. Where the corporation concentrated on hugely expensive automation in the 1980s, Mr. Lopez believes all the gadgetry is useless unless people are motivated to lower costs.

Mr. Lopez's goal is ambitious. Although GM Europe is no midget — it had 1991 sales of \$25.36 billion — the unit is dwarfed by its parent. It has just four basic model lines, or "platforms," compared with the more than 65 offerings of GM North America.

"Doing things is much easier here than in Detroit, because we're relatively autonomous and lean," said Paul W. Schmidt, chief financial officer for GM Europe.

Many analysts believe the reorganization Mr. Lopez is attempting is overdue.

GM in Detroit has long sourced too many components in-house, and, unlike GM Europe, has had its policy completely wrong on this, said Robert Barber, senior auto analyst at James Capel in London. "That's a major reason why the company has not been competitive."

See GM, Page 13

GM's New Parts Strategy

Highlights of General Motors' new approach to global purchasing of components, based on an address to GM suppliers given recently by J. Ignacio Lopez de Arriortua.

COST REDUCTION

The company is looking for every opportunity to reduce its costs. In 1991, GM started a program to save \$2 billion over three years, but now thinks it can do better and is stepping up the effort. GM will help suppliers identify areas of waste so they can lower their costs.

HARD-HEADED PURCHASING

Longstanding and cozy relationships between GM and suppliers are to be replaced by more hard-headed criteria such as quality, price and service. Internal GM parts subsidiaries will have to compete with outside suppliers on this basis.

GLOBAL SOURCING

GM's goal is to establish international coordination in purchasing. U.S. suppliers will get opportunities to sell to overseas GM operations, but will face competition from foreign suppliers selling to GM in North America.

Deal Will Lift Casino's Sales To 65 Billion FF

Compiled by Our Staff From Dispatches

PARIS — France's Casino, an old but innovative supermarket group, will create a 65 billion franc (\$12.2 billion) food retailer by buying Ralphy SA's food stores and cafeterias, Casino said Tuesday.

The deal marks a further step in the integration of food distribution in Europe, in which Casino has been a leader through an alliance with Argyl PLC of Britain and Abold NV of the Netherlands.

Casino did not give a purchase price, but Jean-Charles Naouri, head of Ralphy's supervisory board, said the subsidiaries involved were valued at 4 billion francs, net of debt of 1.2 billion francs.

To pay for the acquisition, Casino will issue new shares to Ralphy. That will give Ralphy, held 50 percent by the Cam family and 50 percent by institutions, a stake of about 30 percent in the enlarged Casino group, Casino said.

Casino's revenue last year was 42.4 billion francs and its net profit 530 million, up 35.5 percent.

Casino chairman Antoine Guichard, said the combination of Ralphy and Casino "will deliver profits that we will be envious for."

The full name of the century-old company, a pioneer in implanting supermarkets in what until 20 years ago was largely a nation of smallish grocery stores, is Casino Guichard-Perrachon & Co. SCA.

Geoffroy Guichard opened his first grocery shop in 1898 in a shuttered casino in the central city of Saint-Etienne. The Guichard family has held the reins tightly, partly by holding the largest single stake and partly by keeping the company a Société en Commandite par Actions, a corporate structure that insulates management from the will of stockholders.

Now, the Guichards' stake in Casino's capital will dip to 18.8 percent from 26.6 percent, behind that of Ralphy, although the family's voting rights, at 29.9 percent, will still exceed the new partner's 25 percent.

Louis Le Gouez, chairman of Ralphy's Hyperally unit, will join Casino's management board, and Ralphy will nominate six people to join Casino's supervisory board.

Ahold's stake will drop to 2.9 percent and Argyl's to 2.8 percent.

The enlarged company will have 101 hypermarkets and 480 supermarkets, as well as more than 2,000 smaller stores and cafeterias. The move will make Casino the second-largest integrated food distributor in France after Carrefour SA, a Casino spokesman said.

But Mr. Naouri, who heads the investment group Euris and manages Ralphy, said the two would keep separate decision centers.

"Casino is seeking volume and greater purchasing power," a Paris analyst said. "But I don't see how they're going to do it if they have two decision-making centers."

Geographically, Casino's main strength is in the south and east of France, whereas Ralphy, based in Brittany, is strongest in the west. (Reuters, Bloomberg)

Pechiney Divests Nuclear Activities To Cut Its Debt

Reuters

PARIS — Pechiney SA is selling its nuclear activities for 2.3 billion French francs (\$430 million) to cut its big debt load and streamline the industry in France, the state-owned aluminum company said Tuesday.

The buyers are the state nuclear fuel company Cogema and the power plant builder Framatome SA, which is controlled by the state but in which the private-sector power-engineering conglomerate Alcatel Alsthom SA has a 44 percent stake.

The industry minister, Dominique Strauss-Kahn, said the deal was part of inevitable consolidation in the nuclear power sector.

See PECHINEY, Page 13

Japan's Riposte: On Trade, the Truth Hurts

By Steven Brull

International Herald Tribune

TOKYO — The United States criticizes Japanese trade practices. So does the European Community. So shouldn't Japan have the right to do the same?

Tokyo, of course, thinks it should. On Tuesday it was resolute in defending a report issued Monday that branded the United States the world's most unfair trader. "The report simply stated the facts as they are," the minister of international trade and industry, Koza Watanabe, told reporters. "For America to be told the truth is probably not pleasant."

The 212-page trade report, issued by a MITI advisory panel, is a kind of report card that measures how well Japan's major trading partners adhere to international rules such as the General Agreement on Tariffs and Trade. The United States, it said, broke rules in nine of 10 categories, while the European Community violated six. South Korea, Indonesia, Thailand and Malaysia also were singled out. Japan, for its part, was guilty of three infractions.

The White House, unaccustomed to a reprimand from a nation it has painted as a culprit of unfair trade, reacted harshly. "People who live in glass houses should be careful about their stones," Martin Fitzwater, the presidential spokesman, said Monday.

Others were more blunt. Japan "doesn't have the credibility to call others unfair" at a time when its trade surplus is reaching historical highs, commented the House Democratic leader, Richard A. Gephardt.

Mr. Watanabe, apparently taking offense, said: "We are ready to correct mistakes, if any. But it is embarrassing to be told that somebody simply does not like our face."

Politicians and bureaucrats here have long resented being singled out for unfair trade practices. Many feel Japan has gotten a raw deal in accords that forced it to buy more U.S. cars and microchips. Frustration has increased in this election year, especially after President George Bush arrived in January with the heads of America's Big Three automakers.

The report reflects frustration with being hushed and fears of unilateral action by the United States, and it also points to a more aggressive strategy. "It's part of the process

of positioning themselves in international trade," said a European diplomat. "But they're arguing only one side of the case."

The report, for example, largely ignores the criticism that Japan's huge trade surplus, expected to exceed \$110 billion this year, reflects barriers to imports.

It also omits agriculture, an industry where Japan maintains strong barriers. Nor does the report address the role of *keiretsu*, the business groupings that some believe keep foreign competitors at bay.

"Can Japan really sound convincing when it claims to be fair while... the country accumulates a vast trade surplus by having its workers labor a lot longer than their Western counterparts?" asked an editorial in the Asahi Shimbun, a major daily.

EC to Examine Chip Accord
The EC Commission will examine the U.S.-Japan semiconductor agreement announced last week to determine if it discriminates against European suppliers of computer chips, an EC official said Tuesday, according to a Reuters dispatch from Brussels.

CURRENCY RATES

Table with columns for Currency, Bid, Ask, and other market data. Includes rates for USD, EUR, GBP, etc.

Chicago in Amsterdam, London and Zurich. Rates in other centers: New York closing rates and Toronto rates at 3 p.m.

To buy one pound: To buy one dollar: Units of 100; N.A. not quoted; N.A. not quoted.

Other Dollar Values

Table showing exchange rates for various currencies like Australian, Canadian, Hong Kong, etc.

Forward Rates
Currency Per \$ Per S

Source: ANZ Bank (Amsterdam); Indus Bank (Brussels); Banca Commerciale Italiana (Milan); Banque Paribas (Paris); Bank of Montreal (Toronto); IMF (DCR); Reuters. Other data from Reuters and AP.

INTEREST RATES

Eurocurrency Deposits June 9

Table with columns for Term, Rate, and other interest rate data.

Source: All Reuters except ECU; Lloyd Bank. Rates applicable to interbank deposits of \$1 million minimum (or equivalent).

Key Money Rates June 9

Table with columns for Country, Rate, and other money rate data.

Asian Dollar Deposits June 9

Table with columns for Term, Rate, and other Asian dollar deposit data.

U.S. Money Market Funds June 9

Table with columns for Fund Name, Assets, and other money market fund data.

GOLD June 9

Table with columns for Location, Price, and other gold market data.

Source: Reuters. Luxembourg, Paris and London official fixings: Hong Kong and Zurich opening and closing prices: New York and market close. All prices in U.S. dollars.

Fokker Gets Leading Role In Regional Jet Venture

Compiled by Our Staff From Dispatches

AMSTERDAM — Fokker NV and Deutsche Aerospace AG said Tuesday they had reached an agreement in principle giving Fokker the lead role in regional jet development in a proposed partnership with Deutsche Aerospace as the majority shareholder.

The managements of both companies held talks in Amsterdam on Tuesday "in a very positive constructive spirit" during which "progress has been made in defining the details of the future structure," the companies said. The Dutch economic affairs minister, Koos Andriessen, participated in the meeting.

A Fokker spokesman said talks on the project were expected to be concluded by mid-July.

Meanwhile, Erik Jan Nederkoorn, Fokker's management chairman, said in an interview in Tuesday's edition of the Dutch daily De Telegraaf that Deutsche Aerospace would take a 51 percent stake in Fokker.

Fokker and Deutsche Aerospace, a unit of Daimler-Benz AG, said in March that they were exploring the possibility of setting up a joint venture to produce a new family of short- to medium-range planes.

Fokker does not have sufficient cash to develop the aircraft, which are to have between 65 and 130 seats, on its own, and Deutsche Aerospace has been expected to buy a 51 percent stake in the company, including the Dutch state's 31.8 percent interest, to help fund them.

Since the talks began, Fokker's aim has been to retain both the bulk of the jobs and the strategic aerospace technology in the Netherlands.

Separately, Hartmut Mehndorn, chairman of Deutsche Aerospace's management board, said that the company would have to shut at least two of its 14 domestic plants if Germany pulled out of the European Fighter Aircraft project.

The German government is expected to make a final decision on the controversial EFA project on June 23. (Reuters, Bloomberg, AFP)

Legrand advertisement. Text: The Ordinary and Extraordinary Shareholders' Meetings, held in Limoges on June 5, 1992 and chaired by Mr. François Grappotte, approved the resolutions submitted. The consolidated financial statements for 1991 showed an 8% increase in sales of FF 9,948 million and steady net earnings of FF 703 million. The Meeting approved the distribution of a dividend of FF 180 million, representing a dividend per share as follows: FF 57.50 for ordinary shares, or FF 86.25 with tax credit FF 92.00 for preferred shares, or FF 138.00 with tax credit. An interim dividend having been declared on February 3, the balance will be paid as from June 15, 1992. For the first four months of the financial year, consolidated sales adjusted for structural changes are up almost 5%. Financial Information: O. Bazil, G. Schnepf. Tel.: (33.1) 43.60.01.80

Jones Lang Wootton advertisement. Text: Experience, Vision, Knowledge. Worldwide Leasing, European Expansion, Worldwide Capital Transactions, Worldwide Funds Under Management, Worldwide Appraisals, European Property Management. Jones Lang Wootton. 22 Hanover Square London W1A 2BN Telephone 071-493 6040 Fax 071-408 0220. A member of Jones Lang Wootton International. London, Newmarket, Glasgow, Edinburgh, Dublin, Brussels, Antwerp, Luxembourg, Paris, Lyon, Grenoble, Amsterdam, Rotterdam, The Hague, Utrecht, Frankfurt, Hamburg, Düsseldorf, Munich, Berlin, Leipzig, Milan, Madrid, Barcelona, Stockholm, Prague, New York, Los Angeles, San Francisco, Washington, D.C., Toronto, Sydney, Melbourne, Canberra, Brisbane, Adelaide, Perth, Auckland, Wellington, Hong Kong, Singapore, Jakarta, Kuala Lumpur, Penang, Johor Bahru, Bangkok, Tokyo, Taipei.

MARKET DIARY

Stock Prices Slide On Inflation Fears

NEW YORK — Blue-chip stocks on Tuesday suffered their biggest loss since early April, dragged down by inflation jitters and investors' impatience with the broad market's lackluster performance in recent weeks.

The Dow Jones industrial average fell 34.21 points to 3,369.92, after trading as low as 3,359.55. Declining stocks outnumbered advancing ones by 5 to 2 among common stocks on the New York Stock Exchange. A moderately active 191 million shares changed hands on the Big Board.

Standard & Poor's 500 index fell 3.30 to 410.06. Although the Dow industrials had scored 6.2 percent this year to a record closing high of 3,413.21 on June 1, the S&P 500 has fallen 1.7 percent since the start of the year. "People are getting nervous and tired of holding some of this stuff," said John Schraff, a trader at Daiwa Securities America. "The broad market's still down for the year."

Dollar Ends Higher As Mark's Appeal Eases

NEW YORK — The dollar strengthened Tuesday as investors reversed their course of the last few days and swapped Deutsche marks for other currencies. Once it became clear that the dollar was rising, investors covered their short positions and booked profits by swapping their marks back for dollars, traders said.

The dollar closed at 1.5920 DM, up from 1.5865 DM on Monday and well above the session low of 1.5808. It also ended at 127.50 yen, up from 127.28 yen. Against other European currencies, the dollar rose to 1.4555 Swiss francs from 1.4489 francs and to 5.3585 French francs from 5.3455 francs. The pound slipped to \$1.8347 from \$1.8350.

The tendency to sell marks in favor of other currencies was more evident overseas, traders said. But investors are still measuring Den-

Thursday and the consumer price index on Friday. Recent gains in commodity and oil prices are stirring some concern. "There's ongoing talk that we might have seen the best on inflation," said Marshall Acuff, a portfolio strategist at Smith Barney.

Paper stocks were a noticeably weaker cyclical sector. Salomon Brothers lowered its estimates on International Paper and four other paper companies. "It was a vote of less confidence toward the cyclical," Mr. Acuff said. "When people see earnings cuts, they start to get nervous. Buyers pull back."

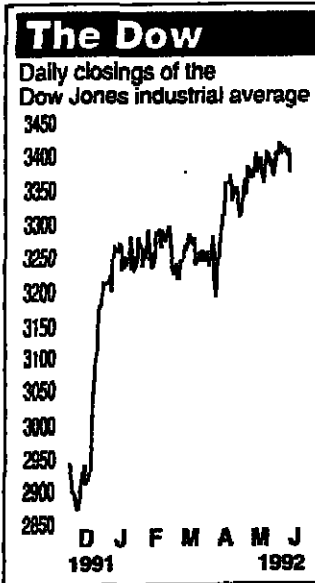
International Paper lost 2 1/2 percent. Stone Container lost 1 1/2 percent. Temple-Inland fell 1 1/4 percent. Union Camp eased 1 1/4 percent to 46 1/4. Willamette fell 1 1/2 percent. Salomon Brothers also triggered a decline in newspaper stocks after the firm's media analyst lowered his ratings of Gannett, Knight-Ridder and Washington Post, citing weak advertising revenues.

Gannett tumbled 2 1/4 percent. Knight-Ridder dropped 2 percent, and Washington Post lost 3 percent. The Dow Jones transportation average sank 27.84 to 360.80. Delta Air Lines fell 1 1/2 percent to 44 1/2. The carrier reduced some business fares for European and Atlantic routes and some other airlines matched the cuts.

Club Med Predicts a Rebound

PARIS — Club Méditerranée SA predicted Tuesday that it would return to profitability this year following a loss last year caused by the tourism slump after the Gulf War. The company forecast net profit for the year ending Oct. 31 at 240 million French francs (\$44.95 million) on sales of 8.4 billion francs. In the prior financial year, Club Med had posted a net loss of 17 million francs on sales of 7.6 billion francs.

Club Med's chairman, Gilbert Trigano, told analysts that profit estimates predated the key vacation period in July and August, when Club Med racks up much of its business. "We need a satisfactory July and August to reach that target," he said.



The Dow Daily closings of the Dow Jones industrial average

Table with columns: Vol., High, Low, Last, Chg. for NYSE Most Active stocks.

Table with columns: Vol., High, Low, Last, Chg. for AMEX Most Active stocks.

Table with columns: Vol., High, Low, Last, Chg. for NYSE Diary.

Table with columns: Vol., High, Low, Last, Chg. for AMEX Diary.

Table with columns: Vol., High, Low, Last, Chg. for NASDAQ Diary.

Table with columns: Open, High, Low, Last, Chg. for Dow Jones Averages.

Table with columns: High, Low, Close, Chg. for Standard & Poor's Index.

Table with columns: High, Low, Close, Chg. for NYSE Index.

Table with columns: High, Low, Close, Chg. for NASDAQ Index.

Table with columns: High, Low, Close, Chg. for AMEX Stock Index.

Table with columns: High, Low, Close, Chg. for Dow Jones Bond Averages.

Table with columns: High, Low, Close, Chg. for Market Sales.

Table with columns: High, Low, Close, Chg. for N.Y.S.E. Odd-Lot Trading.

Table with columns: High, Low, Close, Chg. for NYSE Diary.

Table with columns: High, Low, Close, Chg. for AMEX Diary.

Table with columns: High, Low, Close, Chg. for NASDAQ Diary.

Table with columns: High, Low, Close, Chg. for EUROPEAN FUTURES.

Table with columns: High, Low, Close, Chg. for SUGAR (FOX).

Table with columns: High, Low, Close, Chg. for COCOA (FOX).

Table with columns: High, Low, Close, Chg. for WHITE SUGAR (METT).

Table with columns: High, Low, Close, Chg. for METALS.

Table with columns: High, Low, Close, Chg. for 3-MONTH STERLING (LIFFE).

Table with columns: High, Low, Close, Chg. for 3-MONTH EURO DOLLARS (LIFFE).

Table with columns: High, Low, Close, Chg. for U.S. FUTURES.

Table with columns: High, Low, Close, Chg. for WHEAT (CBT).

Table with columns: High, Low, Close, Chg. for SOYBEAN MEAL (CBT).

Table with columns: High, Low, Close, Chg. for SOYBEAN OIL (CBT).

Table with columns: High, Low, Close, Chg. for CATTLE (CME).

Table with columns: High, Low, Close, Chg. for HOGS (CME).

Table with columns: High, Low, Close, Chg. for PORK BELLIES (CME).

Table with columns: High, Low, Close, Chg. for COFFEE C (NYCSE).

Table with columns: High, Low, Close, Chg. for SUGAR WORLD 11 (NYCSE).

Table with columns: High, Low, Close, Chg. for LONG GILT (LIFFE).

Table with columns: High, Low, Close, Chg. for GERMAN GOVERNMENT BOND (LIFFE).

Table with columns: High, Low, Close, Chg. for INDUSTRIALS.

Table with columns: High, Low, Close, Chg. for BRENT CRUDE OIL (IPEX).

Table with columns: High, Low, Close, Chg. for STOCK INDEXES.

Table with columns: High, Low, Close, Chg. for SPOT COMMODITIES.

Table with columns: High, Low, Close, Chg. for DIVIDENDS.

Table with columns: High, Low, Close, Chg. for U.S. FUTURES.

Table with columns: High, Low, Close, Chg. for BRITISH POUND (LIFFE).

Table with columns: High, Low, Close, Chg. for CANADIAN DOLLAR (LIFFE).

Table with columns: High, Low, Close, Chg. for JAPANESE YEN (LIFFE).

Table with columns: High, Low, Close, Chg. for SWISS FRANC (LIFFE).

Table with columns: High, Low, Close, Chg. for METALS.

Table with columns: High, Low, Close, Chg. for SILVER (COMEX).

Table with columns: High, Low, Close, Chg. for GOLD (COMEX).

Table with columns: High, Low, Close, Chg. for LIVERSTOCK.

Table with columns: High, Low, Close, Chg. for U.S. FUTURES.

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MINNEAPOLIS (Combined Dispatches) — Supervalu Inc. offered Tuesday to acquire most of Weterau Inc. for \$1.1 billion, a deal that would create the biggest U.S. food wholesaler.

The companies signed a deal that offers Weterau shareholders \$30.20 cash for each of their 21.3 million shares. Stockholders also would get shares in 70 percent of Weterau's Shop 'N Save warehouse food retailing subsidiary, the remainder of which would end up with Supervalu.

Supervalu also would assume \$440 million of Weterau debt. Weterau shareholders must vote for the deal, which also requires approval by regulators. Weterau's stock rose \$6.375 a share, to \$30.375.

Weterau supplies more than 2,900 groceries and 1,200 institutional accounts in 29 states. It also has almost 160 retail stores in 12 states, plus operations in general merchandise distribution, bakery production, construction, transport services, financing and leasing and insurance. Supervalu, which changed its name last month from Super Valu Stores Inc., owns 105 retail food stores and supplies 2,650 retail food stores in 31 states.

It currently is the second-largest U.S. food retailer, with the acquisition it would have about \$1.6 billion of annual sales, replacing Fleming Co., which has \$1.2 billion, as the leader in the sector. (Reuters, UPI)

Aetna Ahead on Sale of Reinsurer

HARTFORD, Conn. (Combined Dispatches) — Shares in Aetna Life & Casualty Co. rose 37.5 cents, to \$41.25, Tuesday, bolstered by the insurer's deal to sell its American Re-Insurance Co. subsidiary to managers and Kohlberg, Kravis, Roberts & Co. for about \$1.41 billion.

Under an accord announced late Monday, Aetna is to receive \$1.21 billion in cash at closing and up to \$20 million of a 14 percent pay-in-kind preferred stock to be issued by American Re Corp., a new holding company, in which Aetna will get about \$30 million of common stock.

The deal is KKR's first acquisition of more than \$1 billion since it bought RJR Nabisco Inc. in 1989 for \$25 billion, the largest takeover ever. KKR previously focused on industrial companies, though it teamed with Fleet-Norstar Financial Group Inc. to acquire the ailing Bank of New England last year. Aetna acquired American Re-Insurance, the third-largest U.S. reinsurer, in 1979. In 1991, the unit, which essentially insures insurance companies, earned \$133 million with assets of \$3.8 billion. (UPI, AP)

Economic Data Point to Weakness

WASHINGTON (Bloomberg) — Three government reports issued Tuesday suggested businesses and consumers did not expect a robust economic recovery. The Commerce Department said wholesalers' inventories fell 0.5 percent in April, to a seasonally adjusted \$197.6 billion, and the largest decline since September. Wholesale sales fell 1.4 percent, to \$144.7 billion, the largest drop since January 1991. "There is still weak demand," said Aetna's chief economist at MCM MoneyWatch in New York.

The large chains are saying sales are O.K., but they're not good enough for us to bet on big inventory additions." A second Commerce Department report showed foreign spending to buy or establish U.S. businesses fell 66 percent, to \$22.6 billion in 1991, because of global recession and reduced takeover activity.

Meanwhile, the Federal Reserve Board said consumer borrowing declined by a \$3.821 billion in April. The drop was sharper than expected, and analysts said it suggested that Americans continue to shun new debt, preferring to pay off earlier borrowings because they fear a recession.

For the Record

West Point Acquisition Corp., which owns 95 percent of West Point Peppercorn, filed a prepackaged bankruptcy reorganization plan for itself and two subsidiaries. West Point Peppercorn is not included in the filing, which is related to the inability of the parent to acquire all of the line maker after the junk-bond market collapsed.

H.L. Development Corp., which builds and manages hotels and resorts, plans to build a 200-room Holiday Inn as part of a services complex at the Kiev airport in Ukraine. (UPI)

WORLD STOCK MARKETS

Table with columns: Class, Prev., High, Low, Last, Chg. for various international stock markets including Amsterdam, Hong Kong, Brussels, Johannesburg, Frankfurt, London, Milan, Singapore, Zurich, and Stockholm.

Table with columns: Class, Prev., High, Low, Last, Chg. for various international stock markets including Sydney, Paris, Tokyo, Sao Paulo, and Montreal.

Table with columns: High, Low, Close, Chg. for various international stock markets including London, Frankfurt, Zurich, and Stockholm.

Table with columns: High, Low, Close, Chg. for various international stock markets including London, Frankfurt, Zurich, and Stockholm.

Table with columns: High, Low, Close, Chg. for various international stock markets including London, Frankfurt, Zurich, and Stockholm.

Vertical advertisements on the right edge of the page, including 'Hongkong Approve', 'Credit Lyonnais For Stake', 'PECHINEY Out of Nuclear', and 'Approve'.

Hongkong Bank Holders Approve Midland Deal

By Laurence Zuckerman
International Herald Tribune

HONG KONG — Shareholders of HSBC (Holdings) Ltd. on Tuesday approved the company's \$3.9 billion (\$7.2 billion) bid for Midland Bank, leaving the approval of Midland shareholders as the final hurdle before the Hongkong Bank can complete its takeover of the London-based bank.

At an extraordinary general meeting, a company resolution easily won the necessary three-quarters majority support of shareholders by a show of hands.

Afterwards, William Purves, the HSBC chairman, said he was confident Midland stockholders would approve the offer by June 25 — the deadline set by HSBC — now that a potential rival bid from Lloyds Bank had been withdrawn.

"My impression is that Midland shareholders, by and large, are quite satisfied with the offer," he said.

Most analysts agreed. "My assumption is that it will be fine," said Laura Greening, bank analyst with Smith New Court in Hong Kong.

The acquisition of Midland by HSBC, holding company for Hongkong & Shanghai Banking Corp., would create one of the world's 10 largest banks. Hong-

kong Bank has had its eye on Midland since it bought a 15 percent interest in the British bank in late 1987. Its final offer, which it announced last week, is 120 HSBC shares plus cash or a face value of \$65 in bonds in exchange for every 100 Midland shares.

Meanwhile, HSBC shares tumbled for the second trading day since Lloyds announced last Friday that it was withdrawing from the contest for Midland. HSBC stock closed at 44.75 Hong Kong dollars (\$5.78) Tuesday, down 3.50 dollars from last Thursday's close of 48.25.

Analysts said the sell-off was sparked by HSBC's announcement Monday that it had lent a total of \$787 million to the ailing real estate giant Olympia & York Developments Ltd. and by speculators who were unloading the stock now that the takeover of Midland was considered to be a forgone conclusion.

"I think there were a lot of people playing arbitrage," Ms. Greening said. "Now that the game is over, they are getting out."

Mr. Purves predicted the stock would rise again on the back of heavy institutional buying once HSBC shares became a constituent of the FT-SE 100 and the Financial Times All-Share Index.

BT Is Pressed to Cut Charges

Regulator's Proposals Could Slash Profit

Compiled by Our Staff From Dispatches

LONDON — A regulatory body on Tuesday put pressure on British Telecommunications PLC, one of the world's most profitable companies, to cut its charges to customers.

BT should reduce its charges to 7.5 percent below the rate of inflation, from the previously set level of 6.25 percent below inflation, the Office of Telecommunications said.

Stock analysts predicted the effect of the proposals would be to cut between £50 million and £150 million (\$92 million to \$275 million) from BT's profit in the financial year 1993-94. Investors pushed the shares down 6.5 pence to 355 pence on the stock market.

BT, which recently reported its pretax profit slipped just 0.1 percent to £3.07 billion in 1991-92, despite recession, has two weeks to reply to proposals by the body, known as OfTel.

A BT spokesman said the proposals, which also included one calling for separate accounting from BT's various units, were "harsher than we expected and raise some serious business issues which will take time for us to evaluate."

"I am particularly concerned that the average residential customer should see some reduction in prices," said OfTel's director-general, Sir Brian Carsberg.

Politicians and the public make regular complaints that BT, which runs an effective monopoly in the residential telephone market, has made massive profits since its privatization but that consumers have not benefited from markedly better services or lower prices.

The move is the strongest OfTel has made to control the telecommunications companies since BT's privatization, which came in two stages, in 1984 and 1991.

BT could challenge the new recommendations but would have to take its complaints to the government's Monopolies and Mergers Commission, which would not be expected to be sympathetic.

Sir Brian said that in addition to a break for customers, he wanted "arrangements that will allow fair opportunities for BT's competitors."

He said BT's call charges needed to be cut by a figure equal to the inflation rate measured by the Retail Price Index, minus 7.5 percentage points, for a four-year period from August 1993 to July 1997. The index was up 4.3 percent in April 1992 from April 1991.

Sir Brian also said the maximum connection charge should be cut to £99 from £152.75.

He said he wanted British Telecom to separate its financial accounts to show the performance of its various units. "I have come to the view that more needs to be done to ensure that operators and the public can have confidence that BT is treating competitors fairly," he said. "I have concluded that accounting separation of BT's businesses is the best way forward."

Commenting on the implications for BT's earnings, James Ross, telecommunications analyst at the Hoare Govett brokerage, said: "I must stress that it's only back-of-envelope stuff at the moment but we could be looking for £50 million off profits in 1993-94."

Martin Mabbutt at Nomura Research said the review was much tougher than anticipated, adding, "It looks like Carsberg's gone for the jugular." He sees the review costing £100 million to £150 million of profits. (Reuters, AFP)

Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40
1850	2700	2100
1750	2600	2000
1650	2500	1900
1550	2400	1800
1450	2300	1700
1350	2200	1600
1250	2100	1500
1150	2000	1400
1050	1900	1300
950	1800	1200
850	1700	1100
750	1600	1000
650	1500	900
550	1400	800
450	1300	700
350	1200	600
250	1100	500
150	1000	400
50	900	300
0	800	200

Exchange	Index	Tuesday Close	Prev. Close	% Change
Amsterdam	CBS Trend	130.40	130.50	-0.08
Brussels	Stock Index	5,959.68	5,949.84	+0.17
Frankfurt	DAX	1,788.26	1,789.07	-0.16
Frankfurt	FAZ	713.60	714.24	-0.09
Helsinki	HEX	798.82	813.68	-1.83
London	Financial Times 30	2,056.60	2,057.30	-0.03
London	FTSE 100	2,635.40	2,645.80	-0.39
Madrid	General Index	250.80	253.80	-1.18
Milan	MB	946.00	947.00	-0.11
Paris	CAC 40	1,962.23	1,981.58	-0.98
Stockholm	Aftersvariden	1,067.92	1,091.87	-0.36
Vienna	Stock Index	450.21	450.63	-0.09
Zurich	SSS	667.10	670.90	-0.57

Sources: Reuters, AFP

Crédit Lyonnais Near Deal For Stake in Aerospatiale

Bloomberg Business News

PARIS — A spokesman for Aerospatiale, the state-held aerospace and defense concern, said Tuesday that the government-controlled bank Crédit Lyonnais was ready to take a stake in the company.

In May, Aerospatiale said it expected an accord with Crédit Lyonnais by the end of 1992 and said a preliminary audit valued the company at 15 billion to 20 billion francs (\$2.81 billion to \$3.74 billion).

The spokesman was commenting on a report in La Tribune de l'Expansion, a business newspaper, which said the bank was ready to pay 1.5 billion francs for an 8 percent stake of about 10 percent.

The Aerospatiale spokesman said it was too early to put precise figures on the proposal. A Crédit Lyonnais spokesman said the article in La Tribune was broadly correct but refused to give details.

The newspaper said the proposal was awaiting approval by the Finance Ministry, but said the government was hesitating because it feared objections from the EC Commission. The Aerospatiale spokesman said there was no reason for the EC to block the deal.

PowerGen's Earnings Surge 32%

Compiled by Our Staff From Dispatches

LONDON — PowerGen PLC reported Tuesday a 32 percent jump in pretax profit in its first year after privatization, beating analysts' forecasts.

In the year ended March 29, PowerGen's profit rose to £359 million (\$656 million), from £272 million a year earlier. The company said profit was helped by a 27 percent reduction in jobs, to 6,081.

PowerGen, the smaller of the two big power generators in England and Wales, predicted a "satisfactory" 1992-93 financial year, depending on the British economy. It also said it would maintain its restructuring and cost-cutting program because of the increasing competition in the power generation industry.

Analysts had expected a profit of £330 million to £350 million for the year. However, PowerGen's share price fell 4 pence, to 249, in line with a weaker London market.

Revenue rose to £3 billion, from £2.65 billion. PowerGen said it planned to raise its dividend to 9.25 pence per share, from 8.32.

PowerGen's chairman, Sir Graham Day, said he was hopeful about the outcome of talks with the company's key fuel supplier, state-run British Coal. PowerGen's coal contracts expire on March 31, 1993.

British Petroleum Co. and Statoil of Norway have signed a production-sharing contract with PetroVietnam for an oil-exploration block near the Dai Hung offshore field, BP officials said. (Reuters, Bloomberg, AFP)

Very briefly:

- Tarmac PLC, a British construction group, said it would not post a pretax profit in the 1992 first half, because of the lingering recession.
- British Aerospace PLC said it had launched a new family of 70- to 115-seat regional jets; the jets are upgraded versions of its A16 model.
- Unigate PLC, a British food-processing group, said pretax profit rose 22 percent, to £92.2 million (\$169.6 million), in the year ended in March.
- Norway's Central Bureau of Statistics lowered its estimate of 1992 mainland gross domestic product growth, which excludes oil and shipping, to 1.4 percent from 1.6 percent, citing weak export markets.
- Spanish unemployment fell in May to 14.7 percent of the work force, or 2.21 million people, from 15 percent in April, the Labor Ministry said.
- Britain's Department of Trade and Industry said it would not refer TI Group PLC's bid for Dowty Group PLC, a rival engineering company, to the Monopolies and Mergers Commission.
- Procordia AB of Sweden said its United Brands subsidiary reached a preliminary agreement to buy Swedish Match BV, a maker of matches and lighters, from a consortium of owners for an undisclosed sum.
- Vespco Thornycroft Holdings PLC, a British shipbuilding and engineering company, said profit rose 12 percent, to £16 million, in the year ended March 31, despite problems in the defense industry; sales rose 12 percent.
- Vodafone Group PLC, a British telecommunications manufacturer, said pretax profit rose 11 percent, to £271.8 million, for the year ended March 31, on an 8 percent rise in revenue.
- British Petroleum Co. and Statoil of Norway have signed a production-sharing contract with PetroVietnam for an oil-exploration block near the Dai Hung offshore field, BP officials said. (Reuters, Bloomberg, AFP)

COMPANY RESULTS

Company	Year	Revenue	Profit	Per Share
Japan				
Old Electric Industry				
Year	1991/1990/91	40,280	4,670	14.23
Revenue	39,200	4,200	12.80	
Profit	4,670	4,200	12.80	
Per Share	14.23	12.80	12.80	
Australia				
Full Photo Film				
Year	1991/1990/91	1,200	150	1.50
Revenue	1,200	150	1.50	
Profit	150	150	1.50	
Per Share	1.50	1.50	1.50	
Canada				
Sococom				
Year	1991/1990/91	1,200	150	1.50
Revenue	1,200	150	1.50	
Profit	150	150	1.50	
Per Share	1.50	1.50	1.50	
France				
Alps Electric				
Year	1991/1990/91	1,200	150	1.50
Revenue	1,200	150	1.50	
Profit	150	150	1.50	
Per Share	1.50	1.50	1.50	
Germany				
Nissan Motor				
Year	1991/1990/91	1,200	150	1.50
Revenue	1,200	150	1.50	
Profit	150	150	1.50	
Per Share	1.50	1.50	1.50	
Italy				
Ferruzzi				
Year	1991/1990/91	1,200	150	1.50
Revenue	1,200	150	1.50	
Profit	150	150	1.50	
Per Share	1.50	1.50	1.50	
Netherlands				
Mitsubishi				
Year	1991/1990/91	1,200	150	1.50
Revenue	1,200	150	1.50	
Profit	150	150	1.50	
Per Share	1.50	1.50	1.50	
United States				
KLM				
Year	1991/1990/91	1,200	150	1.50
Revenue	1,200	150	1.50	
Profit	150	150	1.50	
Per Share	1.50	1.50	1.50	

GM: Reformer Aims to Bring Success in Europe to U.S.

(Continued from first finance page)

I and think it's a reflection of bad management and arrogance."

Despite its profits in Europe, GM posted a loss of \$2 billion for 1990 and a record \$4.5 billion loss for 1991.

Mr. Lopez declined to be interviewed. But a look at what he did in Europe after taking over purchasing in 1987 suggests that a brutal shake-up looms for the companies that provide GM with about \$50 billion-worth of parts and components.

Preaching his maxim that "productivity improvements of just 10 percent are nothing," Mr. Lopez relentlessly switched GM Europe's purchases of parts to manufacturers in cheaper areas. He also became personally involved in reorganizing the way parts-makers organize.

Mr. Smith, the GM Europe vice president, said that in 1986, a year in which GM Europe's losses totalled \$340 million, bringing its accumulated losses since 1979 to more than \$2 billion, the unit acquired about 70 percent of its components in Germany. This was deemed acceptable because Germany is by far the largest market for Opel, the leading brand name for GM's European cars.

But by this year, under Mr. Lopez's direction, Germany's share in

the supply of components had plunged to 40 percent. "We've moved to Southern European suppliers such as Spain, or even Turkey, where we now get our seat covers," Mr. Smith said.

Not content with changing suppliers, Mr. Lopez instituted "Picos workshops" — no-holds-barred brainstorming sessions during which a manufacturer's methods may be completely reorganized to achieve price and quality targets that had seemed impossible.

For example, in February, a group of GM Europe specialists headed by Mr. Lopez descended on Johnson Controls Automotive Systems, a seat supplier based in Geel, Belgium. During a four-day session, design and processing changes were plotted that should, according to GM Europe, cut the cost of a seat by up to 20 percent.

Last year, Mr. Lopez told a German magazine, Manager, that productivity improvements at companies subjected to his blitzkrieg had increased as much as 79 percent, and had averaged 42 percent.

Mr. Smith said Mr. Lopez managed to get manufacturers on his side by offering lifetime contracts — a lifetime being that of a particular model — to those prepared to meet his standards. He also instituted an annual prize-giving session for suppliers with outstanding performances.

It is by no means clear whether Mr. Lopez will be similarly successful in winning over U.S. manufacturers. He is likely to face resistance from GM's in-house parts producers and from labor unions if he abruptly switches suppliers and revolutionizes work methods.

But the bait he used in Europe seems to be on the Lopez menu in the United States. Suppliers say he has talked of lifetime contracts and offering new opportunities to become suppliers to both GM North America and GM Europe. Up to now, suppliers to the two units had been kept distinct.

PECHINEY: Out of Nuclear

(Continued from first finance page)

and would strengthen the hand of Framatome and Cogema as they sought partners, probably within Europe. "There were too many companies, with three operators," Mr. Strauss-Kahn said.

Nuclear activities were a long-standing sideline for Pechiney, which in addition to aluminum production has core activities in packaging and aeronautical parts.

"It was clear that Pechiney did not have in its hands the cards necessary to build a long-term strategy in the nuclear sector," said its chairman, Jean Gandois.

Pechiney's nuclear-related activities included fuel making, uranium processing and transport and storage of radioactive materials. The business accounted for a little more than 3 percent of Pechiney's 1991 revenue of 74.42 billion francs.

Robert Sassoon, analyst with County NatWest in London, said before the deal was announced that it might be a good time for Pechiney to leave the nuclear sector, which has been profitable but has long been a marginal business for it.

"This would bring in much-needed funds for Pechiney," Mr. Sassoon said, noting that Pechiney's net debt at the end of 1991 stood at 24.5 billion francs and its gearing ratio was 109 percent.

The sale of Pechiney's nuclear activities is the latest in a string of major changes there. Earlier this year, its packaging and aeronautical parts group, Pechiney International, sold its aluminum and iron-ore business to the national-trade business to its parent. Then Pechiney SA cut its stake in Pechiney International to 67.9 percent from 74.1 percent by selling existing shares to the public.

GT INVESTMENT FUND

Société d'Investissement à Capital Variable
Registered Office: 2, boulevard Royal, L-2953 Luxembourg
R.C. Luxembourg No B-2108

Notice is hereby given to the shareholders, that the

ANNUAL GENERAL MEETING

of shareholders of GT INVESTMENT FUND will be held at the offices of Banque Internationale à Luxembourg, Société Anonyme, 69, route d'Esch, L-1470 Luxembourg, on Friday, 19th June, 1992 at 10.00 a.m. with the following agenda:

- To hear and accept the Reports of:
 - The Directors
 - The Auditor.
- To approve the Report of the Directors for the year ended 31st December, 1991 including the Statement of Net Assets as at 31st December, 1991 and Statement of Operations for the year ended 31st December, 1991.
- To discharge the Board of Directors and Auditor with respect of their performance of duties from 1st January, 1991 to 31st December, 1991.
- To elect as Directors to serve until the next Annual General Meeting of Shareholders: D.H. FitzWilliam-Lay, A. Elvinger, J.A. Dick, M. Kili, Y. Hashimoto, H. Nakajima, D.N. Ledebor, J. Vroegop, F. Wagner.
- To elect as Auditor to serve until the next Annual General Meeting of Shareholders: Coopers & Lybrand S.C.
- To declare a dividend in respect of the year ended 31st December, 1991.
- To approve the payment of Directors' fees of \$ 7,000 each.
- Any other business.
- Adjournment.

The shareholders are advised that no quorum is required for the items on the agenda of the Annual General Meeting and that decisions will be taken on a simple majority of the shares present or represented at the meeting.

In order to take part at the meeting of 19th June, 1992, the owners of bearer shares will have to deposit their shares five clear days before the meeting with one of the following banks who are authorized to receive the shares on deposit:

- Bayerische Vereinsbank A.G., Kardinal-Faulhaber-Strasse 1, D-8000 München 2
- Crédit Industriel et Commercial, 66, rue de la Victoire, F-75009 Paris
- Banque Internationale à Luxembourg, 2, boulevard Royal, L-2953 Luxembourg

THE BOARD OF DIRECTORS

CONSOLIDATED ANNUAL REPORT

Statement of Income	(for the period April 1, 1991 to March 31, 1992)	Consolidated Net Sales (Year ended March 31)
Net sales	4,722,383	4,722
Cost of sales	3,310,572	4,252
Income before taxes and minority interest	1,141,857	4,695
Income taxes	78,514	3,901
Net income	39,487	3,572
Net income per share	12.04 (in Yen)	4,625

Balance Sheet	(March 31, 1992) in Millions of Yen		
Assets	Liabilities and Shareholders' Equity		
Cash and cash equivalents	790,595	Bank loans and current portion of long-term debt	846,168
Notes and accounts receivable	1,169,789	Notes and accounts payable, trade	877,758
Trade	1,223,734	Other current liabilities	1,214,763
Inventories	424,952	Long-term liabilities	1,461,216
Other current assets	1,286,600	Minority interest	1,182,050
Property, plant and equipment	628,769	Shareholders' equity	1,182,050
Other assets	5,724,439	Total liabilities and shareholders' equity	5,724,439
Total assets	5,724,439		

FIDELITY FAR EAST FUND

Société d'Investissement à Capital Variable
Kansallis House
Place de l'Etoile
L-1021 Luxembourg

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of FIDELITY FAR EAST FUND, a société d'investissement à capital variable organised under the laws of the Grand Duchy of Luxembourg (the "Fund"), will be held at the registered office of the Fund, Kansallis House, Place de l'Etoile, Luxembourg, at 11:00 a.m. on June 30, 1992, for the following purposes:

- Presentation of the Report of the Board of Directors.
- Presentation of the Report of the Auditor.
- Approval of the balance sheet and income statement for the fiscal year ended February 29, 1992.
- Discharge of the Board of Directors and the Auditor.
- Election of six (6) Directors, specifically the reelection of Messrs. Edward C. Johnson 3d, Barry R. J. Bateman, Charles T. M. Collis, Charles A. Fraser, Jean Hamillius and H. F. van den Hoven.
- Election of the Auditor, specifically the election of Coopers & Lybrand, Luxembourg.
- Declaration of a cash dividend in respect of the fiscal year ended February 29, 1992, and authorisation of the Board of Directors to declare further dividends in respect of fiscal year 1992 if necessary to enable the Fund to qualify for "distributor" status under United Kingdom tax law.
- Consideration of such other business as may properly come before the meeting.

Approval of the above items of the agenda will require the affirmative vote of a majority of the shares present or represented at the meeting with no minimum number of shares present or represented in order for a quorum to be present. Subject to the limitations imposed by the Articles of Incorporation of the Fund with regard to ownership of shares which constitute in the aggregate more than three percent (3%) of the outstanding shares, each share is entitled to one vote. A Shareholder may act at any meeting by proxy.

Dated: May 7, 1992

BY ORDER OF THE BOARD OF DIRECTORS

Fidelity Investments

NASDAQ

Tuesday's Prices
NASDAQ prices as of 4 p.m. New York time. This list compiled by the AFJ consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

High	Low	Stock	Div	Yield	PE	52-Week High	52-Week Low	Change
110.00	109.00	IBM	3.00	2.8%	15.0	110.00	109.00	+0.50
100.00	99.00	Microsoft	0.00	0.0%	18.0	100.00	99.00	+0.50
90.00	89.00	Oracle	0.00	0.0%	20.0	90.00	89.00	+0.50
80.00	79.00	Intel	0.00	0.0%	22.0	80.00	79.00	+0.50
70.00	69.00	Sun	0.00	0.0%	25.0	70.00	69.00	+0.50
60.00	59.00	HP	0.00	0.0%	28.0	60.00	59.00	+0.50
50.00	49.00	Compaq	0.00	0.0%	30.0	50.00	49.00	+0.50
40.00	39.00	PerkinElmer	0.00	0.0%	35.0	40.00	39.00	+0.50
30.00	29.00	Amgen	0.00	0.0%	40.0	30.00	29.00	+0.50
20.00	19.00	Genentech	0.00	0.0%	45.0	20.00	19.00	+0.50
10.00	9.00	Amgen	0.00	0.0%	50.0	10.00	9.00	+0.50

High	Low	Stock	Div	Yield	PE	52-Week High	52-Week Low	Change
10.00	9.50	Amgen	0.00	0.0%	55.0	10.00	9.50	+0.50
9.00	8.50	Genentech	0.00	0.0%	60.0	9.00	8.50	+0.50
8.00	7.50	Amgen	0.00	0.0%	65.0	8.00	7.50	+0.50
7.00	6.50	Genentech	0.00	0.0%	70.0	7.00	6.50	+0.50
6.00	5.50	Amgen	0.00	0.0%	75.0	6.00	5.50	+0.50
5.00	4.50	Genentech	0.00	0.0%	80.0	5.00	4.50	+0.50
4.00	3.50	Amgen	0.00	0.0%	85.0	4.00	3.50	+0.50
3.00	2.50	Genentech	0.00	0.0%	90.0	3.00	2.50	+0.50
2.00	1.50	Amgen	0.00	0.0%	95.0	2.00	1.50	+0.50
1.00	0.50	Genentech	0.00	0.0%	100.0	1.00	0.50	+0.50

High	Low	Stock	Div	Yield	PE	52-Week High	52-Week Low	Change
1.00	0.50	Genentech	0.00	0.0%	105.0	1.00	0.50	+0.50
0.50	0.25	Amgen	0.00	0.0%	110.0	0.50	0.25	+0.50
0.25	0.10	Genentech	0.00	0.0%	115.0	0.25	0.10	+0.50
0.10	0.05	Amgen	0.00	0.0%	120.0	0.10	0.05	+0.50
0.05	0.02	Genentech	0.00	0.0%	125.0	0.05	0.02	+0.50
0.02	0.01	Amgen	0.00	0.0%	130.0	0.02	0.01	+0.50
0.01	0.00	Genentech	0.00	0.0%	135.0	0.01	0.00	+0.50
0.00	0.00	Amgen	0.00	0.0%	140.0	0.00	0.00	+0.50
0.00	0.00	Genentech	0.00	0.0%	145.0	0.00	0.00	+0.50
0.00	0.00	Amgen	0.00	0.0%	150.0	0.00	0.00	+0.50

AMEX

Tuesday's Closing
Tables include the following prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

High	Low	Stock	Div	Yield	PE	52-Week High	52-Week Low	Change
10.00	9.50	Amgen	0.00	0.0%	55.0	10.00	9.50	+0.50
9.00	8.50	Genentech	0.00	0.0%	60.0	9.00	8.50	+0.50
8.00	7.50	Amgen	0.00	0.0%	65.0	8.00	7.50	+0.50
7.00	6.50	Genentech	0.00	0.0%	70.0	7.00	6.50	+0.50
6.00	5.50	Amgen	0.00	0.0%	75.0	6.00	5.50	+0.50
5.00	4.50	Genentech	0.00	0.0%	80.0	5.00	4.50	+0.50
4.00	3.50	Amgen	0.00	0.0%	85.0	4.00	3.50	+0.50
3.00	2.50	Genentech	0.00	0.0%	90.0	3.00	2.50	+0.50
2.00	1.50	Amgen	0.00	0.0%	95.0	2.00	1.50	+0.50
1.00	0.50	Genentech	0.00	0.0%	100.0	1.00	0.50	+0.50

High	Low	Stock	Div	Yield	PE	52-Week High	52-Week Low	Change
1.00	0.50	Genentech	0.00	0.0%	105.0	1.00	0.50	+0.50
0.50	0.25	Amgen	0.00	0.0%	110.0	0.50	0.25	+0.50
0.25	0.10	Genentech	0.00	0.0%	115.0	0.25	0.10	+0.50
0.10	0.05	Amgen	0.00	0.0%	120.0	0.10	0.05	+0.50
0.05	0.02	Genentech	0.00	0.0%	125.0	0.05	0.02	+0.50
0.02	0.01	Amgen	0.00	0.0%	130.0	0.02	0.01	+0.50
0.01	0.00	Genentech	0.00	0.0%	135.0	0.01	0.00	+0.50
0.00	0.00	Amgen	0.00	0.0%	140.0	0.00	0.00	+0.50
0.00	0.00	Genentech	0.00	0.0%	145.0	0.00	0.00	+0.50
0.00	0.00	Amgen	0.00	0.0%	150.0	0.00	0.00	+0.50

High	Low	Stock	Div	Yield	PE	52-Week High	52-Week Low	Change
1.00	0.50	Genentech	0.00	0.0%	105.0	1.00	0.50	+0.50
0.50	0.25	Amgen	0.00	0.0%	110.0	0.50	0.25	+0.50
0.25	0.10	Genentech	0.00	0.0%	115.0	0.25	0.10	+0.50
0.10	0.05	Amgen	0.00	0.0%	120.0	0.10	0.05	+0.50
0.05	0.02	Genentech	0.00	0.0%	125.0	0.05	0.02	+0.50
0.02	0.01	Amgen	0.00	0.0%	130.0	0.02	0.01	+0.50
0.01	0.00	Genentech	0.00	0.0%	135.0	0.01	0.00	+0.50
0.00	0.00	Amgen	0.00	0.0%	140.0	0.00	0.00	+0.50
0.00	0.00	Genentech	0.00	0.0%	145.0	0.00	0.00	+0.50
0.00	0.00	Amgen	0.00	0.0%	150.0	0.00	0.00	+0.50

High	Low	Stock	Div	Yield	PE	52-Week High	52-Week Low	Change
1.00	0.50	Genentech	0.00	0.0%	105.0	1.00	0.50	+0.50
0.50	0.25	Amgen	0.00	0.0%	110.0	0.50	0.25	+0.50
0.25	0.10	Genentech	0.00	0.0%	115.0	0.25	0.10	+0.50
0.10	0.05	Amgen	0.00	0.0%	120.0	0.10	0.05	+0.50
0.05	0.02	Genentech	0.00	0.0%	125.0	0.05	0.02	+0.50
0.02	0.01	Amgen	0.00	0.0%	130.0	0.02	0.01	+0.50
0.01	0.00	Genentech	0.00	0.0%	135.0	0.01	0.00	+0.50
0.00	0.00	Amgen	0.00	0.0%	140.0	0.00	0.00	+0.50
0.00	0.00	Genentech	0.00	0.0%	145.0	0.00	0.00	+0.50
0.00	0.00	Amgen	0.00	0.0%	150.0	0.00	0.00	+0.50

India S
Opposition

NYS
Tuesday's Closing

FROM

The latest in section is available number on the July 10, or to will be mailed

Hoe

Hoechst is one of the best in 1991 Hoechst Group sales were reached DM 2.2 billion

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India Scam Touches Politics Opposition Party Demands Resignations

By Edward A. Gargan
New York Times Service

NEW DELHI — A \$1 billion banking and securities scandal, the largest in India's history, has rapidly spread through the stock markets and banking system and is now creeping onto the political landscape.

Several major banks, including the State Bank of India, the country's largest, have found themselves short by hundreds of millions of dollars after making dubious loans to stock speculators.

In addition, a leading securities broker is behind bars, the chairman of several banks have been forced to resign and one committed suicide.

Opposition political leaders, saying the government is covering up the scandal or at least allowed it to occur through negligence, are demanding the resignation of the finance minister and the head of the central bank. The prime minister, P.V. Narasimha Rao, has ordered a special court created to try those associated with the scandal.

For two months, investigators have been decoding computer disks, raiding homes and offices and going through rooms filled with documents to try to unravel the extent of the financial fraud.

The investigations led to the firing of charges last week against 10 brokers and bankers, including Harshad Mehta, a flamboyant Bombay securities trader, who is charged with fraud in securities trades, bribery, using forged documents and conspiracy.

Still, the exact nature and extent of the financial misdeeds and bank losses have not been detailed. What is clear is that a half-dozen big banks provided hundreds of millions of dollars of unsecured loans to brokers to finance securities speculation. By last week, more than \$1 billion was missing from the ledgers, leaving some of the banks technically insolvent.

While he has not granted interviews about the charges against him, Mr. Mehta sent a letter to the Central Bureau of Investigation, vigorously defending himself. "Neither I nor any of my dependents have done anything in violation of any law," the letter said. "All our transactions have been in

accordance with prevailing practice — a practice which is by no means secret or clandestine."

In a buying frenzy, the Bombay Stock Exchange index more than doubled in the last year. But in late April, news began to spread that Mr. Mehta might have stated beyond the fuzzy edges of Indian securities laws to gain control of more than one-third of the State Bank of India's business in government securities. That is also when it and other banks were found to be holding worthless promissory notes for hundreds of millions of dollars. The stock market began a plunge that has sent the Bombay index down from 4,666.90 to its current level of 3,154.23; the index gained 53.57 points on Tuesday.

The size of the scandal, trumpeted daily across the front pages of the country's newspapers, has created a climate of fear among political leaders and a spirit of vengeance among the government's left-wing opposition, which feels betrayed by the yearlong march toward a free-market economy.

As a result, Mr. Mehta and the others arrested so far have been denied bail and are being forced to sleep on the cement floor of holding cells in a Bombay police station. A government directive has ordered that Mr. Mehta's name be confiscated.

When Mr. Rao, the prime minister, announced the abandonment of the country's long romance with socialism last year, no one was more delighted than the brokers and traders of the Bombay Stock Exchange, people who believed that it was finally permissible to make money in India.

For months, the customary bedlam of Dalal, or "Trader," Street, site of the stock exchange, has approached a frenzy resembling a well-shaken beehive. On the exchange floor, the normally unstrapped blue-jacketed traders have hustled with a new-found ferocity that drove the exchange index up more than 60 percent in just three months before the decline began.

The chairman of the Securities and Exchange Board, G.V. Ramakrishna, said: "Most players in the capital markets felt they were beyond regulation. We are now trying to bring about some sensible regulations of the market in line with other developing countries' capital markets."

Confidence Increases in Hong Kong

International Herald Tribune

HONG KONG — Hong Kong-based business confidence has tumbled around dramatically, bolstered by increased international recognition of the economic synergy between the colony and China's Guangdong Province, plus renewed support for economic reform by Beijing, said the sponsor of a survey released Tuesday.

The study, commissioned by the American Chamber of Commerce in Hong Kong, showed that 30 percent of the 405 respondents viewed the investment environment in China over the next five years as "very favorable," up from 8 percent a year earlier. Only 11 percent found investment prospects for Hong Kong over the same period to be "not favorable," down from 22 percent in 1991.

Asked about their confidence in the colony's future after it returns to Chinese sovereignty in mid-1997, 62 percent said they were more confident than a year earlier, up from 48 percent in 1991.

"The combination of the Hong Kong-Guangdong connection is exciting the imaginations of a lot of people," said John C. Wilson, co-chairman of the American Chamber of Commerce's trade and investment committee.

All of the respondents, which comprised companies involved in sales and marketing, manufacturing and trading, are members of the American Chamber of Commerce, but only 76 percent are connected with the United States.

Japan's Insurers Divert Cash to Company Loans

Compiled by Our Staff From Dispatches

TOKYO — Japan's five biggest life insurers, under pressure to increase returns on assets, are investing more than half of their new income in corporate loans, the companies disclosed Tuesday.

The five — Nippon Life Insurance Co., Dai-ichi Mutual Life, Sumitomo Life, Meiji Mutual Life and Asahi Life — said that loans to corporations accounted for an average of 56.3 percent of new investments in the year ended March 31. Japan's sluggish stock market, relatively low government bond yields and a higher prime lending rate make corporate loans an attractive alternative investment, the insurers said.

In some cases, the increase in lending to Japanese corporations means insurers are reducing their exposure to foreign securities markets. "Our fundamental investment strategy is to reduce our exposure to relatively high-risk foreign securities and increasing low-risk investments such as loans," said a statement from Nippon Life, Japan's largest life insurer.

For the year ended in March, 11.7 percent of Nippon Life's total assets of 29.5 trillion yen (\$232.6 billion) was invested in foreign securities, down from 13.1 percent the previous year. Loans accounted for 41.1 percent of total asset allocation for the year, up from 40.1 percent the previous year.

Overall, Japan's top eight life insurers — which together account for more than 75 percent of the assets held at the nation's 26 life-insurance companies — posted assets of 110.31 trillion yen in 1991-92, for an average 8.5 percent growth, the slowest since the end of World War II. The top five had assets of 90.14 trillion yen.

Economists say insurers are filling a domestic loan gap left by Japanese banks. Banks have reigned in lending to meet new international guidelines that say loans must be proportional to scarce bank capital.

After increasing by an annual rate of roughly 20 percent in the late 1980s, asset growth at life insurers is slowing because other financial institutions, such as banks and casualty insurers, are offering increasingly competitive insurance and savings products to individual investors. (Bloomberg, Reuters)

Investor's Asia

Hong Kong Hang Seng	Singapore Straits Times	Tokyo Nikkei 225
6500	1000	25000
6000	900	20000
5500	800	15000
5000	700	10000
4500	600	5000
4000	500	0
3500	400	0
3000	300	0
2500	200	0
2000	100	0
1500	0	0
1000	0	0
500	0	0
0	0	0

Exchange	Index	Tuesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	5,946.18	5,978.75	-0.54
Singapore	Straits Times	1,482.11	1,500.58	-0.56
Sydney	All Ordinaries	1,674.50	1,674.50	Unch.
Tokyo	Nikkei 225	17,845.04	17,635.08	+1.06
Kuala Lumpur	Composite	594.87	595.39	-0.12
Bangkok	SET	684.47	703.29	-2.97
Seoul	Composite Stock	561.78	563.65	-0.34
Taipei	Weighted Price	4,628.85	4,586.04	-0.94
Manila	Composite	1,568.25	1,576.28	-0.76
Jakarta	Stock Index	Closed	323.07	
New Zealand	NZSE-40	1,559.99	1,572.30	-0.82
Bombay	National Index	1,369.05	1,364.66	+1.79

Very briefly:

- The Stock Exchange of Thailand index dropped 18.79 points to close at 684.47 as fears developed that there might be more violence when parliament meets Wednesday to pass constitutional changes.
- Victor Co. of Japan will supply Fox Broadcasting Co. of the United States with 200 professional video systems for news gathering.
- Hitachi Metals Ltd. has developed a system under which a magnet helps fix false teeth to a stainless-steel plate embedded in the roof of the mouth.
- Electricorp, New Zealand's state power company, said generation capacity would run out by early July unless rain boosted lake levels.
- Banque Paribas is to lead a banking syndicate that will finance the \$31 million launch of Thailand's first earth satellite next year by the European group ArianeSpace, industry sources said.

NYSE

Today's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Stock	Div	Yld	PE	High	Low	PA	Chg
IBM	3.12	4.2	12.5	125.00	124.00	124.00	-0.50
GE	0.40	4.8	15.0	26.00	25.50	25.50	-0.25
MSFT	0.28	5.2	18.0	15.00	14.50	14.50	-0.20
AMZN	0.10	6.0	20.0	5.00	4.80	4.80	-0.10
GOOG	0.15	7.0	25.0	4.00	3.80	3.80	-0.15
ORCL	0.20	5.5	16.0	12.00	11.50	11.50	-0.20
INTL	0.30	4.5	14.0	20.00	19.50	19.50	-0.25
DIS	0.45	3.5	11.0	35.00	34.00	34.00	-0.50
WMT	0.50	3.0	10.0	40.00	39.00	39.00	-0.50
PG	0.60	2.5	9.0	45.00	44.00	44.00	-0.50
KO	0.70	2.0	8.0	35.00	34.00	34.00	-0.50
JNJ	0.80	1.5	7.0	55.00	54.00	54.00	-0.50
PFE	0.90	1.0	6.0	45.00	44.00	44.00	-0.50
MRK	1.00	0.5	5.0	35.00	34.00	34.00	-0.50
ABB	1.10	0.0	4.0	25.00	24.00	24.00	-0.50
BA	1.20	0.0	3.0	15.00	14.00	14.00	-0.50
GM	1.30	0.0	2.0	10.00	9.50	9.50	-0.25
Ford	1.40	0.0	1.5	8.00	7.50	7.50	-0.25
Chrysler	1.50	0.0	1.0	6.00	5.50	5.50	-0.25
Stellantis	1.60	0.0	0.5	4.00	3.50	3.50	-0.25
Mercedes	1.70	0.0	0.0	2.00	1.50	1.50	-0.25
VW	1.80	0.0	0.0	1.50	1.00	1.00	-0.25
BMW	1.90	0.0	0.0	1.00	0.50	0.50	-0.25
Audi	2.00	0.0	0.0	0.50	0.00	0.00	-0.25
Volvo	2.10	0.0	0.0	0.00	0.00	0.00	-0.25
Subaru	2.20	0.0	0.0	0.00	0.00	0.00	-0.25
Toyota	2.30	0.0	0.0	0.00	0.00	0.00	-0.25
Honda	2.40	0.0	0.0	0.00	0.00	0.00	-0.25
Nissan	2.50	0.0	0.0	0.00	0.00	0.00	-0.25
Mazda	2.60	0.0	0.0	0.00	0.00	0.00	-0.25
Suzuki	2.70	0.0	0.0	0.00	0.00	0.00	-0.25
Isuzu	2.80	0.0	0.0	0.00	0.00	0.00	-0.25
Mitsubishi	2.90	0.0	0.0	0.00	0.00	0.00	-0.25
Infiniti	3.00	0.0	0.0	0.00	0.00	0.00	-0.25
Lexus	3.10	0.0	0.0	0.00	0.00	0.00	-0.25
Acura	3.20	0.0	0.0	0.00	0.00	0.00	-0.25
Subaru	3.30	0.0	0.0	0.00	0.00	0.00	-0.25
Toyota	3.40	0.0	0.0	0.00	0.00	0.00	-0.25
Honda	3.50	0.0	0.0	0.00	0.00	0.00	-0.25
Nissan	3.60	0.0	0.0	0.00	0.00	0.00	-0.25
Mazda	3.70	0.0	0.0	0.00	0.00	0.00	-0.25
Suzuki	3.80	0.0	0.0	0.00	0.00	0.00	-0.25
Isuzu	3.90	0.0	0.0	0.00	0.00	0.00	-0.25
Mitsubishi	4.00	0.0	0.0	0.00	0.00	0.00	-0.25
Infiniti	4.10	0.0	0.0	0.00	0.00	0.00	-0.25
Lexus	4.20	0.0	0.0	0.00	0.00	0.00	-0.25
Acura	4.30	0.0	0.0	0.00	0.00	0.00	-0.25
Subaru	4.40	0.0	0.0	0.00	0.00	0.00	-0.25
Toyota	4.50	0.0	0.0	0.00	0.00	0.00	-0.25
Honda	4.60	0.0	0.0	0.00	0.00	0.00	-0.25
Nissan	4.70	0.0	0.0	0.00	0.00	0.00	-0.25
Mazda	4.80	0.0	0.0	0.00	0.00	0.00	-0.25
Suzuki	4.90	0.0	0.0	0.00	0.00	0.00	-0.25
Isuzu	5.00	0.0	0.0	0.00	0.00	0.00	-0.25
Mitsubishi	5.10	0.0	0.0	0.00	0.00	0.00	-0.25
Infiniti	5.20	0.0	0.0	0.00	0.00	0.00	-0.25
Lexus	5.30	0.0	0.0	0.00	0.00	0.00	-0.25
Acura	5.40	0.0	0.0	0.00	0.00	0.00	-0.25
Subaru	5.50	0.0	0.0	0.00	0.00	0.00	-0.25
Toyota	5.60	0.0	0.0	0.00	0.00	0.00	-0.25
Honda	5.70	0.0	0.0	0.00	0.00	0.00	-0.25
Nissan	5.80	0.0	0.0	0.00	0.00	0.00	-0.25
Mazda	5.90	0.0	0.0	0.00	0.00	0.00	-0.25
Suzuki	6.00	0.0	0.0	0.00	0.00	0.00	-0.25
Isuzu	6.10	0.0	0.0	0.00	0.00	0.00	-0.25
Mitsubishi	6.20	0.0	0.0	0.00	0.00	0.00	-0.25
Infiniti	6.30	0.0	0.0	0.00	0.00	0.00	-0.25
Lexus	6.40	0.0	0.0	0.00	0.00	0.00	-0.25
Acura	6.50	0.0	0.0	0.00	0.00	0.00	-0.25
Subaru	6.60	0.0	0.0	0.00	0.00	0.00	-0.25
Toyota	6.70	0.0	0.0	0.00	0.00	0.00	-0.25
Honda	6.80	0.0	0.0	0.00	0.00	0.00	-0.25
Nissan	6.90	0.0	0.0	0.00	0.00	0.00	-0.25
Mazda	7.00	0.0	0.0	0.00	0.00	0.00	-0.25
Suzuki	7.10	0.0	0.0	0.00	0.00	0.00	-0.25
Isuzu	7.20	0.0	0.0	0.00	0.00	0.00	-0.25
Mitsubishi	7.30	0.0	0.0	0.00	0.00	0.00	-0.25
Infiniti	7.40	0.0	0.0	0.00	0.00	0.00	-0.25
Lexus	7.50	0.0	0.0	0.00	0.00	0.00	-0.25
Acura	7.60	0.0	0.0	0.00	0.00	0.00	-0.25
Subaru	7.70	0.0	0.0	0.00	0.00	0.00	-0.25
Toyota	7.80	0.0	0.0	0.00	0.00	0.00	-0.25
Honda	7.90	0.0	0.0	0.00	0.00	0.00	-0.25
Nissan	8.00	0.0	0.0	0.00	0.00	0.00	-0.25
Mazda	8.10	0.0	0.0	0.00	0.00	0.00	-0.25
Suzuki	8.20	0.0	0.0	0.00	0.00	0.00	-0.25
Isuzu	8.30	0.0	0.0	0.00	0.00	0.00	-0.25
Mitsubishi	8.40	0.0	0.0	0.00	0.00	0.00	-0.25
Infiniti	8.50	0.0	0.0	0.00	0.00	0.00	-0.25
Lexus	8.60	0.0	0.0	0.00	0.00	0.00	-0.25
Acura	8.70	0.0	0.0	0.00	0.00	0.00	-0.25
Subaru	8.80	0.0	0.0	0.00	0.00	0.00	-0.25
Toyota	8.90	0.0	0.0	0.00	0.00	0.00	-0.25
Honda	9.00	0.0	0.0	0.00	0.00	0.00	-0.25
Nissan	9.10	0.0	0.0	0.00	0.00	0.00	-0.25
Mazda	9.20	0.0	0.0	0.00	0.00	0.00	-0.25
Suzuki	9.30	0.0	0.0	0.00	0.00	0.00	-0.25
Isuzu	9.40	0.0	0.0	0.00	0.00	0.00	-0.25
Mitsubishi	9.50	0.0	0.0	0.00	0.00	0.00	-0.25
Infiniti	9.60	0.0	0.0	0.00	0.00	0.00	-0.25
Lexus	9.70	0.0	0.0	0.00	0.00	0.00	-0.25
Acura	9.80	0.0	0.0	0.00	0.00	0.00	-0.25
Subaru	9.90	0.0	0.0	0.00	0.00	0.00	-0.25
Toyota	10.00	0.0	0.0	0.00	0.00	0.00	-0.25

SPORTS SOCCER

Confidence and Flair: Dutch Favored in Euro 92

STOCKHOLM—Can Euro 92, the soccer championship, deliver the entertainment denied us at the World Cup two years ago? It is a tall order. There is no Cameroon in the tournament that starts Wednesday, no closet harboring a team whose talents and attitudes return the game to its essence.

But there is hope, primarily from the Netherlands, the team that triumphed in style at the European Championship of 1988. If the Dutch play half as confidently as they sound, we shall have our Cameroonians clad in orange and attacking with a flair that dares opponents to score or be heavily scored against.

The Dutch players, having miserably shot themselves in their millionaire feet in 1990 in Italy, swear they will put on the style in Sweden. There is cause to believe that, big though Rind Gullit & Co. are, the tournament motto, "Small Is Beautiful" will prevail.

Small stadiums in Stockholm, Malmo, Gothenburg and Norkopping. A small field: eight teams, as opposed to the World Cup's 24. Far fewer games—15 compared to the 52 matches crammed into a World Cup that starts in a crawl of caution and ends up a trial of stamina.

I move a shade too quickly. A modern tournament must be seen from three perspectives: How safe will it be? How entertaining? And how strong are the contenders?

Sweden has put \$35 million into security, a sum never before laid out for law and order in that land of 8.5 million people.

Exacerbated by rightist insurrection, Germany is king of the new league of soccer lords. Sweden itself is suffering a wave of rowdiness, with 114 fans of AIK Stockholm arrested last month.

The AIK "Black Army" styled itself on Manchester United's "Red Army" of the 1970s, and although England's policing has suppressed hooliganism, guilt remains. "We were the pariahs of European football," said David Mellor, the British minister for sport and culture. "Things are on the up, and Lennart Johansson"—the Swedish president of UEFA—"has been a great friend in getting England back in from the cold. I'm just going to pray every night that some job does not go out to Sweden and screw it all up for us."

Not quite parliamentary language, but Mellor is a man of soccer, once a man of the terraces where hooliganism reigns. His prayers are matched in Sweden, whose federation has hired 20 clergymen to go among the fans and spread the gospel that the "goal is friendship."

There is a sober message. One only hopes that the other Swedish experiment, trying to draw fans away from city areas with the lure of cheap beer, does not backfire. Alcohol has long been accused of lubricating the violence. Sweden is gambling on beer tents representing the antithesis to an unfriendly, attritional greeting.

"The way things have been organized, people always expected trouble and so there was," one official said. "We want people to come and enjoy it." The best of luck to you, sir.

LUCK MAY play too fickle a part in the tournament, but my crystal ball rates the teams in this order:

THE NETHERLANDS: Favorites. "Virtually everybody on our squad has won something this year with their clubs," points out Marco van Basten. "Everybody is full of confidence. It's been great in training—everybody is working hard for their places."

Van Basten's own striking edge has more of the 1988 hoing than its 1990 dullness. Gullit is fitter now, and Frank Rijkaard, "the poet footballer," is eager once more. Ron Koeman may be slow in defense, but has awesome power in his left foot. And young Ajax forwards Dennis Bergkamp and Bryan Roy are bursting into flower.

GERMANY: Betting against the world champion is a mug's game. But the new manager, Bert Vogts, hasn't the inspiration of Franz Beckenbauer. He has lost the injured leader Lothar Matthaus, and the new skipper, Rudi Voller, is not an aging Fagin scoring through stealth rather than speed. It leaves a lot of creating for the diminutive Thomas Hassler.

FRANCE: Jean-Pierre Papin is by no stretch of the imagination the

1992 European Championship	
First Round Group 1	First Round Group 2
France: Wednesday, June 10, 1815 GMT Sweden: Saturday, June 13, 1815 GMT Denmark: Thursday, June 11, 1815 GMT England: Wednesday, June 10, 1815 GMT France: Sunday, June 14, 1815 GMT England: Saturday, June 13, 1815 GMT Denmark: Sunday, June 14, 1815 GMT Sweden: Saturday, June 13, 1815 GMT France: Wednesday, June 17, 1815 GMT Sweden: Saturday, June 13, 1815 GMT France: Wednesday, June 17, 1815 GMT Denmark: Saturday, June 13, 1815 GMT	Netherlands: Friday, June 12, 1815 GMT Gothenburg: Saturday, June 13, 1815 GMT CIS: Friday, June 12, 1815 GMT Norkopping: Saturday, June 13, 1815 GMT Scotland: Monday, June 15, 1815 GMT Norkopping: Saturday, June 13, 1815 GMT Netherlands: Monday, June 15, 1815 GMT Gothenburg: Saturday, June 13, 1815 GMT Netherlands: Thursday, June 18, 1815 GMT Gothenburg: Saturday, June 13, 1815 GMT Netherlands: Thursday, June 18, 1815 GMT Gothenburg: Saturday, June 13, 1815 GMT Norkopping: Thursday, June 18, 1815 GMT
Group 2 Winner vs. Group 1 Winner, Monday, June 22, 1815 GMT, Gothenburg	

Sources: AP

International Herald Tribune

finest to wear French blue. But he is the goal-hungry focal point of the new generation: small, pugacious, fierce with either foot. The enigmatic Eric Cantona possesses wonderful touch, and Laurent Blanc, the libero, the attacking sweeper, moves like silk. Defensively, France is vulnerable, and no one knows if this team has the temperament for a grand stage.

ENGLAND: For sure, the English have the fighting spirit. "Stuart's face can be almost wild," the manager, Graham Taylor, once said of marauding fullback Stuart Pearce. "I need that." Now more than ever, England's players have dropped like flies, and without Paul Gascoigne and John Barnes the team has too much industry, too little flair. Des Walker is a class defender, Gary Lineker a great goal poacher. But one might need a magnifying glass to see creativity between defense and attack.

SWEDEN: The home advantage ought to rouse the cool Swedes. Tomas Brodin, a bubbly quick mover, is one of 11 earning their fortunes abroad. The new manager, Tommy Svensson, liberates the overly defensive team, giving Jonas Thern and Stefan Schwarz license to take risk. But even if Brodin excels, even if winger Anders Limpar feeds strikers Kennet Andersson and Martin Dahlgren, a semifinal is the best Sweden expects.

DENMARK: Maybe I place the Danes too low. They replace Yugoslavia with technique and athleticism and a colossal goalkeeper, Peter Schmeichel. Brian Laudrup can galvanize the team, Flemming Povlsen schemes and scores, and Bent Christensen reminds me of Preben Elk-

jaer's bull-like charges of the 1980s. Sadly, the manager, Richard Moller-Nielsen, has left out Jan Molby, and Michael Laudrup refuses to play under pragmatic rule.

COMMONWEALTH OF INDEPENDENT STATES: The Soviet Union finished second in 1988, and won the Olympic gold that year. But do its gifted individuals really believe in the Commonwealth? No country of that name exists, merely a label of convenience that is to expire after this summer's Olympics. This is one last hurrah for the combined might of Ukrainians like Alexei Mikhalichenko, whose moods swing from moody to magnificent; Russians like Igor Shalimov, for whom Inter Milan has paid \$12 million; and Georgians like Abkhik Tsviba, who comes out of defense to shoot on sight. Under pressure, the team defends badly, and I doubt it will play through pain for a white and blue flag and the Olympic anthem.

SCOTLAND: "The tougher the opposition, the better our players raise their game," says the manager, Andy Roxburgh. His Scots love to battle, to run swiftly. If they pull off one big upset, the bagpipes will swirl in the highlands. Realistically, it is a long shot. Paul McCosk, 27, is a playmaker yet to deliver the promise of his youth. Ally McCoist scores every week in Scotland but is no Lineker or van Basten. Pat Nevin is a cheeky flyweight winger more decorative than potent. But Scotland is the kind of team to make fools of bettors, so ignore me and enjoy the game.

Rob Hughes is on the staff of the Sunday Times.

In Opening Match, Big Guns, Defense

Compiled by Our Staff From Dispatches

STOCKHOLM—Host Sweden and Group 1 favorite France will roll out their superguns when they face each other Wednesday night in the opening match of the European Championship of soccer.

Swedish hopes rest on the striking power of young forward Tomas Brodin, nicknamed "Baby Bomber," while France relies on the European player of the year, Jean-Pierre Papin.

Michel Platini, France's coach, has opted for a three-man attack for the opening match. Pascal Vanhuma, the Tahiti-born left-winger, got the vote ahead of Christian Perez and will line up with Papin and Leeds United striker Eric Cantona.

Captain Manuel Amoros, who came on in the second half for last Friday's 1-1 draw with Holland in a friendly match, will start, as Platini has chosen to keep the same formation that the Dutch coach, Rinus Michels, described as defensive.

France will have a five-man defense with only Marseille teammates Didier Deschamps and Franck Szeze as nominal midfielders.

In a match that seems likely to be dominated by well-entrenched defenses, the ability of Brodin and Papin to exploit the slightest chink in the opposition's armor could be decisive.

The Swedes have conceded just two goals in their last six warm-up matches. "On top form, we are capable of beating anybody," said their manager, Tommy Svensson.

Brodin has been in good form this season, helping Parma to win the Italian Cup with a victory over Juventus in the final. Scorer of nine goals in 16 matches for his country, Brodin and his midfield suppliers, Anders Limpar of Arsenal and Jonas Thern of Benfica, will be the men Platini will warn his team about.

Papin, who has scored 13 goals in his 10 last games for France, will be the problem for an inexperienced central defense of Jan Eriksson and Patrik Andersson.

Platini may be alarmed by a lack of creativity in midfield, once the great strength of the French, and the first warnings of holes in defense. If so, he does not show it.

"There are two ways of ap-

proaching this match," he said. "One is to say, oh no, this is the opening match of the European Championship and to feel under pressure. The second is to think, oh yes, it's great to be here in front of millions of television viewers. It's good for our image. The second is my approach."

The probable teams:
Sweden: Thomas Ravelli; Roland Nilsson; Jan Eriksson; Patrik Andersson; Joachim Bjorklund; Stefan Rahn; Jonas Thern; Stefan Schwarz; Anders Limpar; Kennet Andersson; Tomas Brodin.

France: Bruno Martini; Jocelyh Angloma; Basile Boli; Laurent Blanc; Bernard Casoni; Manuel Amoros; Didier Deschamps; Franck Szeze; Pascal Vanhuma; Jean-Pierre Papin; Eric Cantona.

Wright Told to Rest
England will have to wait until the weekend to find out whether injured sweeper Mark Wright will play in the championship, Reuters reported from Stockholm.

Wright, the Liverpool captain, has been ordered to rest his Achilles' tendon injury after getting a second opinion of the injury from a London specialist.

Voller Weighs Move
Germany's captain, Rudi Voller, confirmed Tuesday that he is considering a move from Roma to Olympique Marseille, the French champion, Agence France-Press reported from Norkopping.

The French team said Tuesday that "contacts have been made and it is most likely" that English striker Chris Waddle will play for Leeds next season if Voller is signed.

Platt Goes to Juventus
English forward David Platt's long-rumored transfer to Juventus of Turin was confirmed Tuesday by club officials, The Associated Press reported from Turin.

They said Platt's former team, had agreed on the transfer of the 26-year-old player for an estimated 14 billion lire (\$11.6 million).

Juventus will pay about 10 billion lire in cash and give Bari midfielder Angelo Alessio. Platt will sign a three-year contract on his return to Italy. Juventus officials said, according to unconfirmed reports he would get about \$1 million a year with Juventus.

BOOKS

ALL THE PRETTY HORSES

By Cormac McCarthy. 302 pages. \$21. Alfred A. Knopf Inc., 201 East 50th Street, New York, New York 10022.

Reviewed by Herbert Mitgang

TWO boys run away from the home place in Texas and light out for a new territory. Instead of poling a raft, they ride their own horses; instead of going down the Mississippi, they cross the Rio Grande into Mexico. Unlike the Mexicans who are treated like strangers or worse when they head north, the young Americans are treated like neighbors by the Mexicans they encounter. The two cultures do not yet clash.

The time of which Cormac McCarthy writes in "All the Pretty Horses" is 1950. The reader is about to be spurred by the author on an unforgettable journey: part literary, part adventure, part romance, part dream. A half-dozen of the American and Mexican characters in McCarthy's novel are memorable and make "All the Pretty Horses" a major achievement. Individual horses and their owners play an essential, allegorical role in the plot.

This reader was put off at first by the author's all too writerly writing. His joined words, without hyphenation, and his unpunctuated, breathless sentences, call too much attention to themselves. Used sparingly, such devices can still be highly effective, but they seemed more

original when perfected long ago by James Joyce and John Dos Passos. Yet once McCarthy sends his young Americans on their adventuresome ride across the border, the novel attains heroic dimensions.

The main character, 16-year-old John Grady, is the product of a broken home. His father, a former World War II rifleman, cannot find a place for himself on the old family ranch; his mother is somewhere in California, dreaming of an acting career. He and his friend, Lacey Rawlins, 17, saddle up and take off for a new beginning in Mexico, away from west Texas. Along the way, they are followed by a stranger, a hapless youngster of perhaps 13 or 14, named Jimmy Blevins, whom they allow to join them.

"All the Pretty Horses" takes a new turn when Grady and Rawlins get jobs as cowboys on a wealthy Mexican ranch. Now we meet three other fascinating characters: the sophisticated ranch owner, who breeds fine horses and files his own plane; his beautiful 17-year-old daughter, the reckless Alejandra, who rides like the wind, and her grandaunt, Grady's way with horses gains the attention of the ranch owner. Soon the young American crosses the line from hired hand to household visitor. He and Alejandra secretly ride horses after midnight; inevitably, they fall in love. Her grandaunt is also charmed by Grady and, at one point, they play chess together. In one of the most moving scenes among many in the novel, the grandaunt eloquently tells Brady about her own life,

about revolutionary Mexico and the role of women in her culture.

She explains: "The political tragedy in Spain was rehearsed in full dress 20 years earlier on Mexican soil. For those with eyes to see. Nothing was the same and yet everything. In the Spaniard's heart is a great yearning for freedom, but only his own. A great love of truth and honor in all its forms, but not in its substance. And a deep conviction that nothing can be proven except that it is made to

bleed. Virgins, bulls, men. Ultimately, God himself."

In "All the Pretty Horses," the characters are also bloodied, but not before two of the Americans ride on, wounded but wiser. The title page of McCarthy's artful novel says that this is the first volume of "The Border Trilogy." It's wonderful to anticipate the next, and the next.

Herbert Mitgang is on the staff of The New York Times.

BEST SELLERS

The New York Times
This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

Week	Rank	Title	Author
1	1	JEWELS, by Danielle Steel	1
2	2	SAHARA, by Clive Cussler	2
3	3	DARK FORCE RISING, by Timothy Zahn	3
4	4	OLD THE FELICES YOU'LL GO, by J. S. Burdett	4
5	5	THE PELICAN BRIEF, by John Grisham	5
6	6	ALL AROUND THE TOWN, by Mary Higgins Clark	6
7	7	JAZZ, by Tom Morrison	7
8	8	"I" IS FOR INNOCENT, by Sue Caston	8
9	9	THE ROAD TO OMAHA, by Robert Ludlum	9
10	10	FRANCHISE, by Sandra Brown	10
11	11	WAITING TO EXHALE, by Terry McMillan	11

Rank	Title	Author
12	RISING SUN, by Michael Crichton	12
13	TURTLE MOON, by Alice Hoffman	13
14	THE LIVING SUN, by Annie Dillard	14
15	ALL THE PRETTY HORSES, by Cormac McCarthy	15

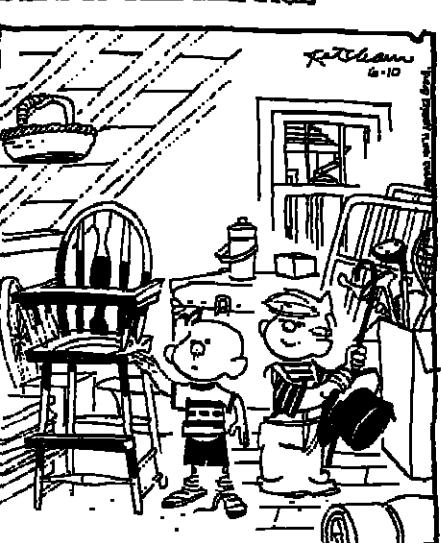
Rank	Title	Author
1	THE SILENT PASSAGE, by Gill Sheehy	1
2	CHIEF, by Daryl F. Gates with Diane K. Shah	2
3	REVOLUTION FROM WITHIN, by Gloria Steinem	3
4	GIVE WAR A CHANCE, by P.J. O'Rourke	4
5	DIANA IN PRIVATE, by Lady Colin Campbell	5
6	ELSGAARD ROOSEVELT, by Blanche Wiesen Cook	6
7	BACKLASH, by Susan Faludi	7
8	TWO NATIONS, by Andrew Hasker	8
9	RACE, by Studs Terkel	9
10	THE WAY I SEE IT, by Paul Davis	10
11	HEAD TO HEAD, by Lester Kornblith	11
12	WHO WILL TELL THE PEOPLE, by William Greider	12
13	ROCKIE WARRIOR, by Richard Marcinko with John Weisman	13
14	PLAYING IN THE DARK, by Tom Hanks	14
15	PERLOT, by Todd Mason	15

Rank	Title	Author
1	A RETURN TO LOVE, by Marianne Williamson	1
2	THE JUICEMAN'S POWER OF TALKING, by Jay Lovick	2
3	HOW TO SATISFY A WOMAN EVERY TIME, by Nanna Hayden Moore	3
4	MORE WEALTH WITHOUT RISK, by Charles J. Givens	4
5	THE FRUGAL GOURMET WHOLE FAMILY COOKBOOK, by Jeff Smith	5

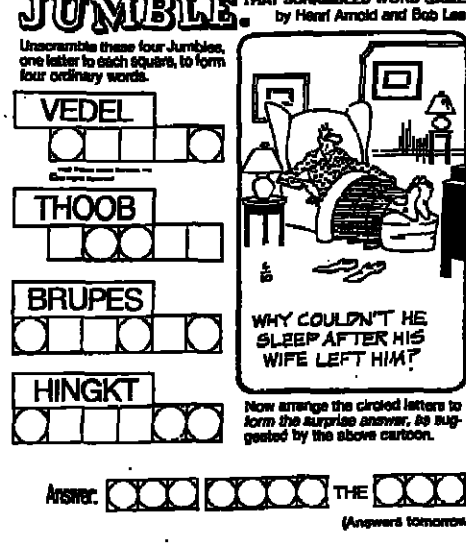
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DENNIS THE MENACE



JUMBLE



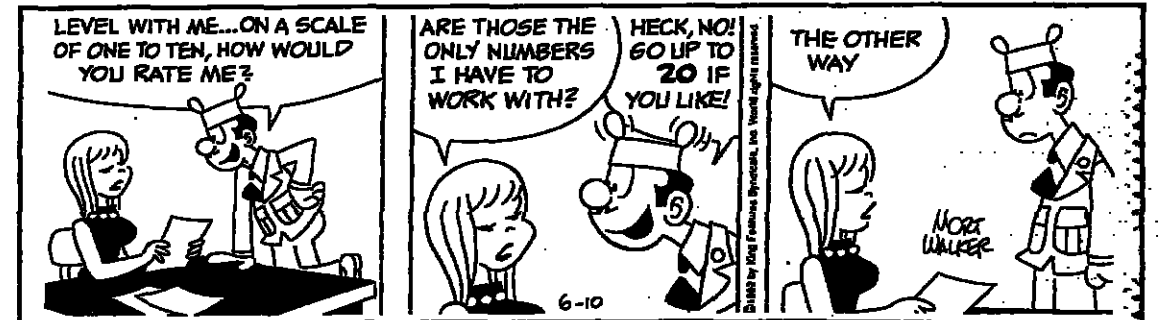
BLONDIE



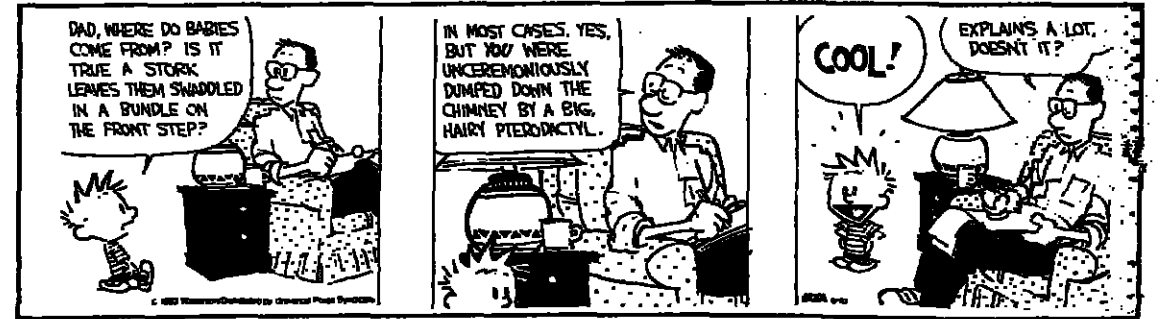
PEANUTS



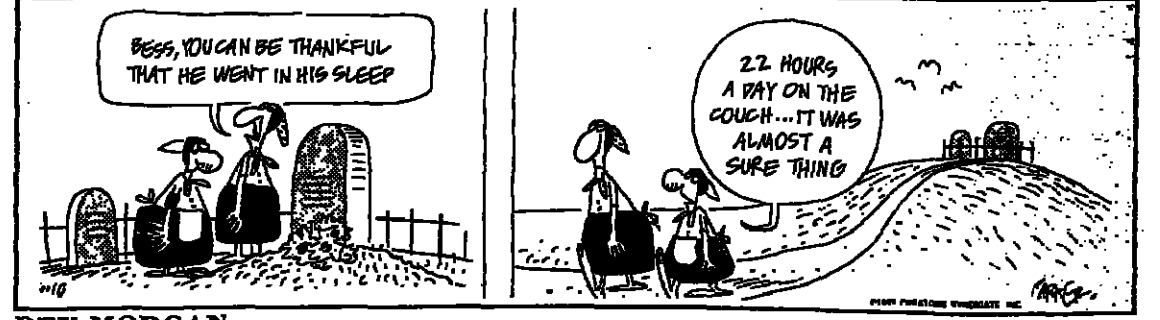
BEETLE BAILEY



CALVIN AND HOBBES



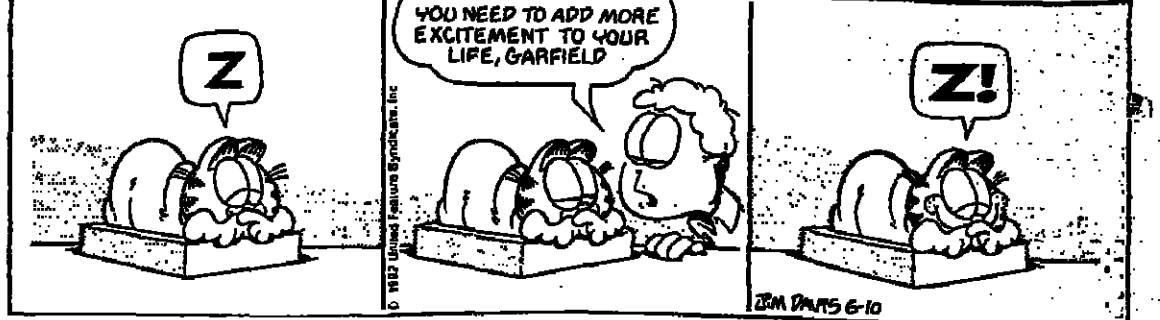
WIZARD of ID



REX MORGAN



GARFIELD



مكتبة من الأجريل

SPC
Bulls' Se
Big Reas
Winning

Scoreboard
Major League Standings

AMERICAN LEAGUE
East Division
West Division

OUT

SPORTS BASEBALL

Bulls' Scrappy Grant Big Reason They Are Winning on Defense

By Clifton Brown
New York Times Service

PORTLAND, Oregon — The knowledge that Horace Grant wore over his left eye comes with his signature. Michigan Jordan and Scottie Pippen get most of the glory and the commercial contracts for the Chicago Bulls. Grant gets the rebounds, the bumps and the bruises. Every championship team has players willing to accept roles, and Grant excels at accepting his.

The 6-foot, 10-inch (1.8-meter) power forward is a major reason why the Bulls hold a 2-1 lead over the Portland Trail Blazers in the National Basketball Association championship series as both prepared for Game 4 in Portland on Wednesday.

Grant leads the Bulls in rebounds (9 per game), blocked shots (3) and shooting percentage (61.5 percent) during the series. And he still found time to average 13 points and 5 assists, in addition to playing strong defense against Buck Williams and Cliff Robinson.

The Bulls know how important Grant is, and the increased number of nose pads and cameras surrounding him after practice Monday suggested that others had noticed.

Asked why he accepted averaging 5.3 shots during the series, Grant replied, "Because we win."

"I'll do it as long as this team wins, as long as they give me the respect for what I do on the court and as long as I get a good salary," he said. "At my position, unless you're a Karl Malone or a Charles Barkley, you're not going to get the recognition. That's why a guy I really respect is Buck Williams. He's a lot like I am."

So far in this series, Grant and the Bulls have got the better of Williams (9.3 points, 8.3 rebounds) and Portland. Game 3, in which Grant had another strong performance (18 points, 8 rebounds, 6 assists, 1 blocked shot), was his kind of game.

He suffered the cut over his eye when his goggles were knocked from his face while battling for a rebound. Yet Grant enjoyed the inside battling, and the Bulls loved the results. Chicago kept the Trail Blazers' fastbreak in check, forced them to commit 20 turnovers and controlled the tempo.

The Bulls' defensive prowess is often overlooked because of Jordan's offensive exploits. But few, if any, teams in the league are better at taking away an opponent's offensive strengths. Terry Porter, Portland's point guard, was particularly ineffective in Game 3, while being held to 7 points.

"We are blessed in having some remarkable athletes," said the assistant coach, John Bach, who works closely with Phil Jackson in developing the defensive game

plan. "You can certainly say Clyde Drexler, Jerome Kersey and Porter are excellent athletes. But we also have extraordinary athletes in Pippen, Grant and Jordan. I call them the Dobermans. They are so quick in reacting."

"We're fortunate that Michael can guard almost anyone, that Pippen can guard several people and that Grant can guard most of the big people. Portland forces you to cross-match, to switch defenders."

"Drexler will run out after we take a shot, which forces Pippen to pick him up. That means Porter has to be picked up by somebody else. We were successful in keeping Portland from storming the basket because we made shots, got back on defense and defended. I'm sure they'll make adjustments, but I hope we can keep that same kind of intensity."

Intensity is rarely a problem for Grant, whose effervescent personality makes him one of the Bulls' most popular players. Ask Grant a question, and he will answer it. Sometimes he will answer even when no one asks.

Asked Monday whether he or his twin brother, Harvey Grant of the Washington Bullets, was the better player, Horace said:

"Of course, I am. I mean, I'm the oldest. I was born nine minutes earlier. I can't explain the reason, but I'm better."

Asked why Jackson yells at him more than most players, Grant said: "Every team needs a scapegoat and every coach needs a scapegoat. I'm the scapegoat for the team and Scottie's the scapegoat for the media. Phil does it because I can take it."

Before the season, when Jordan failed to attend a White House ceremony honoring the Bulls for winning last year's title, Grant criticized Jordan, causing a mild controversy in the team. But Grant said he won't change.

"Whatever's on my mind, I say it," he said. "Whatever I feel like saying, I do. It usually gets me in trouble, but I have to live with myself."



Guilty Plea Gets Howe Suspended

By Barbara Lloyd
New York Times Service

MISSOULA, Montana — Steve Howe, 34, the relief pitcher for the New York Yankees who was arrested five months ago on drug charges, has been suspended indefinitely from baseball after he entered a guilty plea here to a charge of attempting to possess cocaine.

Baseball's response to Howe's plea was substantive, but Howe's legal problems, which began with his arrest Dec. 19, remained unresolved. Federal Magistrate Bart Erickson delayed sentencing until a hearing Aug. 18, but he indicated that Howe was unlikely to receive any time in prison.

Howe's admission Monday of guilt, which was part of a plea bargain with federal prosecutors, was filed by his lawyers to a legal precedent known as the Alford clause.

That precedent, based on a number case in North Carolina in 1970, means that Howe's guilty plea will not be considered final until the sentencing hearing.

But the fact of the plea was enough for Fay Vincent, the commissioner of major league baseball, to take action. A statement said Howe was being suspended "for violating baseball's drug policy."

"The commissioner will ask Howe to meet with him as soon as practicable," the statement added.

Howe, a left-hander who was 3-0 this season with six saves, had been suspended six times previously in his baseball career for substance abuse, most recently in 1986.

He returned to the major leagues last year when the Yankees signed him in May. Last November, Howe signed a one-year contract worth \$1.5 million, with incentives that could grow to as much as \$2.3 million. A month later he was arrested on the two drug charges.

Until Monday, Howe had not been prevented from pitching for the Yankees, who lost another pitcher, Pascual Perez, to a one-year drug suspension last March after a positive test for cocaine.

Mariners' Sale to Japan Group Approved

The Associated Press

NEW YORK — Major league baseball's ownership committee unanimously recommended approval Tuesday of the sale of the Seattle Mariners to a Japanese-led group. The 26 major league teams are virtually certain to approve the deal on a final vote scheduled for Wednesday.

Three-quarters of the 14 American League teams and a majority of the 12 National League teams must approve the sale, which was first proposed in January.

The group, headed by Hiroshi Yamauchi, president of Nintendo Co. Ltd. of Kyoto,

made significant alterations in its proposal. Although Yamauchi will contribute \$75 million of the \$125 million invested, he will have virtually no say in running the team.

"This venture is not going to be controlled outside North America," said Fay Vincent, the major leagues' commissioner. "This venture is going to be controlled in Seattle."

The Mariners' present owner Jeff Smiljan, who bought the team in September 1989 for about \$77 million, announced in December that the club was for sale. City and state officials feared that Smiljan would attempt to break the team's lease with the Kingdom

and move the franchise to St. Petersburg, Florida, where there is a domed stadium in need of a baseball team.

The Nintendo-led offer in January came only a month after baseball owners had turned down a proposal that would have allowed overseas ownership of up to 37 percent. After the proposal, Vincent said he didn't think it would be approved.

However, baseball's view changed after Seattle officials said there was no other alternative. In addition, Nintendo officials expressed a willingness to alter the proposal to conform with local control guidelines.

John Ellis, chairman of Puget Sound Power & Light, will become the Mariners' chief executive officer. Vincent said Ellis had agreed to increase his investment from the \$10,000 that was in the original proposal.

"Mr. Ellis has the total authority to run this business," Vincent said.

He said Yamauchi's role would be limited to "the power to approve certain transactions in the realm of extraordinary events."

Vincent said that involved such issues as deciding to sell the team and said that Yamauchi would have no involvement in baseball or budgetary decisions.



Manny Lee and the umpire at second agreed on the call in the fourth inning, when the Jays added eight runs to the Yankees' misery.

Jays Add To Yanks' Depression

United Press International

Blown away by the news of reliever Steve Howe's suspension, the New York Yankees then proceeded to get blown out by the Toronto Blue Jays.

Jeff Kent and Manuel Lee each drove in four runs and Toronto pounded out a season-high 21 hits to rout the Yankees, 16-3, Monday night in New York.

The Blue Jays kept pace in the

AMERICAN LEAGUE

American League East with the front-running Baltimore Orioles as Kent hit a two-run triple and Lee contributed a two-run single during an eight-run fourth. The Blue Jays sent 14 batters to the plate and got eight hits against starter Greg Cadaret and reliever Rich Monteleone.

Kent entered the game as a defensive replacement in the third inning after second baseman Roberto Alomar sprained his left knee while trying to score.

Orioles 5, Red Sox 2: In Baltimore, Randy Milligan hit a two-run homer against Boston during a four-run second that gave the Orioles their seventh victory in nine games.

White Sox 5, Angels 1: In Chicago, Jack McDowell held California to four hits over 7 1/2 innings for his first victory in four starts. Robin Ventura drove in two runs.

Tigers 9, Indians 2: Mill Cuyler hit a grand slam and Cecil Fielder a three-run homer in a seven-run first in Detroit that began the rout of Cleveland.

Royals 9, Twins 6: Keith Miller homered and drove in four runs in Kansas City, which was helped by three Minnesota errors during a five-run rally in the sixth.

Rangers 14, Mariners 3: Kevin Reimer, Juan Gonzalez and Ruben Sierra homered in Arlington, Texas, to pace a 18-hit attack against Seattle.

Brewers 6, Athletics 2: Bill Wegman scattered four hits over eight innings in Milwaukee, and Darryl Hamilton drove home two runs to help beat Oakland.

Hill's 1-Hitter Upsets His Expos and Mets

The Associated Press

Ken Hill pitched his first major league one-hitter Monday night, and most of his Montreal teammates thought it should have been one better.

The only hit off Hill was by the New York Mets' starting pitcher, Anthony Young, an infield single to shortstop with two outs in the fifth.

Hill went on to beat the Mets, 6-0, in Montreal. After the game there was considerable discussion about the decision on Young's hit.

Shortstop Tom Foley ranged to his right and might have thrown Young out had he not bobbled the ball. The official scorer said he ruled it a single because the ball was hit deep into the hole.

"If there was any question on the part of the official scorer, he should have put an error up and waited for a clean hit," Foley said. "We're at home and Ken's pitching a great

game. I know the official scorer has to make a decision on the spot. I feel bad personally. It wasn't a sharply hit ball. I couldn't find the ball. I just wish it had been an error."

Several Expos disagreed with the official scorer and made gestures in

NATIONAL LEAGUE

Phillies 7, Pirates 0: In Philadelphia, Curt Schilling pitched a three-hitter for his first major league shutout and doubled in two runs during a six-run second against Pittsburgh. Mariano Duncan hit a three-run homer that inning.

Reds 4, Giants 1: Greg Swindell, after giving up a leadoff homer to Darren Lewis, pitched eight strong innings in San Francisco and Chris Sabo homered and drove in two runs for Cincinnati, which has won 11 of 14.

Padres 3, Astros 2: Bruce Hurst, backed by homers from Tony

Gwynn and Darrin Jackson, pitched a four-hitter in San Diego to beat Houston.

Gwynn broke a 2-2 tie with one out in the seventh with his fifth homer.

Brewers 4, Dodgers 2: David Justice homered and drove in three runs in Los Angeles as Atlanta edged above the 500 mark for the first time in two months with its fourth straight victory and its ninth in the last 10 games.

Cubs 5, Cardinals 2: Cubs 6, Cardinals 4: Gary Scott and Jose Vizcaino, each batting under .200, keyed a four-run 13th inning in the first game in St. Louis, and Chicago completed a sweep behind Ryne Sandberg, who homered and drove in three runs.

Sandberg had four hits in the doubleheader with four RBI after entering the night an amemic 3 for 19 against St. Louis pitching. He is 25 for 62 (.403) in his last 15 games with four home runs and 17 RBI.

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The U.S. Open and the Shut Out

The Associated Press

Greg Norman, as well as some other well-known golfers, has failed to qualify for the U.S. Open that will be played at Pebble Beach on June 18-21.

Norman had to settle for an alternate's spot in Monday when he was part of an eight-way playoff for the final four spots available at The Lakes Club in Columbus, Ohio, one of 10 qualifying sites.

Kirk Triplett and former Masters champion Larry Mize birdied the second playoff hole, after Peter Jacobsen and Brian Clair had won Open spots with birdies on the first playoff hole.

Mize had won his Masters in 1987 during a playoff with Norman, sinking a lengthy chip shot.

"I'm disappointed, but at least I tried," said Norman, who earned the alternate's spot with a par on the third extra hole.

Former U.S. Open champion Johnny Miller missed out at the Lake Merced Golf and Country Club in Daly City, California, as did teenage star Tiger Woods.

Miller, who blitzed Oakland for a closing 63 to take the 1973 Open, shot a pair of 77s.

Woods, at 16 the youngest player to tee off in a PGA tournament when he played at the Los Angeles Open in February, had a 151.

Ben Crenshaw, a former Masters champion, had a 145 at Champions Golf Club in Houston and failed to reach the U.S. Open for the second straight year.

Warren Schutte of South Africa, the 1991 NCAA champion from the University of Nevada-Las Vegas, shot 142 and led four qualifiers at Big Foot Country Club in Fontana, Wisconsin.

SCOREBOARD

BASEBALL

Major League Standings

Team	W	L	Pct.	GB
Baltimore	34	21	.618	—
Toronto	32	22	.593	1 1/2
Seattle	29	25	.538	4 1/2
New York	28	27	.509	6
Los Angeles	26	30	.464	9 1/2
San Diego	25	31	.447	10 1/2
Cleveland	22	34	.393	14

Team	W	L	Pct.	GB
Chicago	31	25	.554	—
Philadelphia	28	28	.500	3
Atlanta	25	31	.448	6
San Francisco	23	33	.411	9
St. Louis	22	34	.393	10
Minnesota	21	35	.375	11
Los Angeles	19	37	.341	13 1/2
Arizona	18	38	.319	14 1/2
San Diego	17	39	.302	15 1/2
Colorado	16	40	.286	16 1/2

Monday's Line Scores

Team	Score	Opponent	Score
Baltimore	11	vs	San Diego 7
Toronto	16	vs	San Diego 3
Seattle	6	vs	New York 0
Los Angeles	18	vs	San Diego 3
San Diego	7	vs	Los Angeles 16
Cleveland	9	vs	San Diego 3
Chicago	11	vs	Philadelphia 0
Philadelphia	7	vs	Chicago 0
Atlanta	9	vs	San Francisco 2
San Francisco	2	vs	Atlanta 9
St. Louis	5	vs	Philadelphia 0
Philadelphia	0	vs	St. Louis 5
Los Angeles	4	vs	San Francisco 2
San Francisco	2	vs	Los Angeles 4
Los Angeles	3	vs	San Diego 7
San Diego	7	vs	Los Angeles 3
Los Angeles	3	vs	San Diego 7
San Diego	7	vs	Los Angeles 3

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CANADA	1-800-700-7111	INDIA	001-800-700-7111
CHINA	001-800-700-7111	ITALY	001-800-700-7111
COLOMBIA	001-800-700-7111	JAPAN	001-800-700-7111
CUBA	001-800-700-7111	KOREA	001-800-700-7111
CZECH REPUBLIC	001-800-700-7111	NETHERLANDS	001-800-700-7111
DOMINICAN REPUBLIC	001-800-700-7111	NEW ZEALAND	001-800-700-7111
ECUADOR	001-800-700-7111	POLAND	001-800-700-7111
EGYPT	001-800-700-7111	RUSSIA	001-800-700-7111
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FRANCE	001-800-700-7111	SWITZERLAND	001-800-700-7111
GERMANY	001-800-700-7111	TAIWAN	001-800-700-7111
GREECE	001-800-700-7111	THAILAND	001-800-700-7111
HONG KONG	001-800-700-7111	TURKEY	001-800-700-7111
HUNGARY	001-800-700-7111	UNITED KINGDOM	001-800-700-7111
INDIA	001-800-700-7111	USA	1-800-700-7111
INDONESIA	001-800-700-7111	WEST GERMANY	001-800-700-7111
IRELAND	001-800-700-7111	YUGOSLAVIA	001-800-700-7111
ISRAEL	001-800-700-7111		
ITALY	001-800-700-7111		
JAPAN	001-800-700-7111		
KOREA	001-800-700-7111		
NETHERLANDS	001-800-700-7111		
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